

ISSN: 2219-0562

Vol. III, Issue II,
Dec 2011



ISSRA PAPERS

Institute for Strategic Studies Research & Analysis

NATIONAL DEFENCE UNIVERSITY
ISLAMABAD, PAKISTAN

ISSRA PAPERS

Institute for Strategic Studies, Research & Analysis (ISSRA)
National Defence University, Islamabad

Editorial Board

Lieutenant General Agha Muhammad Umer Farooq	Chairman
Major General Ziauddin Najam	Member
Major General Noel Israel Khokhar	Member
Major General Javed Iqbal	Member
Air Vice Marshal Rashid Kamal	Member
Brigadier Muhammad Khurshid Khan	Member
Lieutenant Colonel Dr Saif ur Rehman	Member

Editor-in-Chief

Brigadier Muhammad Khurshid Khan

Editor

Lieutenant Colonel Dr Saif ur Rehman

Assistant Editor

Mr. Abdul Rauf Iqbal

Advisory Board

Ambassador N. A. Shaikh	Former Foreign Secretary Pakistan
Dr. Pervaiz Iqbal Cheema	Dean Faculty of Contemporary Studies National Defence University Islamabad
Lt Gen T.W. Ghazi (Retd)	Former Secretary Defence Pakistan
Dr. Rodney W. Jones	President Policy Architects Int's USA
Dr. Marvin G. Weinbaum	Scholar in Residence, Middle East
Professor Dr. Bulent Aras	Chairman Center for Strategic Research Republic of Turkey, MoFA

ISSRA Papers is sponsored and edited by the Institute for Strategic Studies, Research & Analysis (ISSRA), National Defence University, Islamabad, Pakistan. Manuscripts and editorial communications may be directed to the editor.

Statements, facts and opinions mentioned in ISSRA Papers are solely of the authors and do not imply the official policy of the Institution, Editors and Publisher.

Telephone: 051-2008125285
Fax: 051-9260663
Email: ddpubnres@ndu.edu.pk
Website: <http://www.ndu.edu.pk>



**NATIONAL DEFENCE UNIVERSITY
ISLAMABAD, PAKISTAN**

ISSRA PAPERS Vol-III, Issue-I

CONTENTS

	Page
• BENEFITS OF REGIONALISM AND THE POTENTIALS OF ECONOMIC COOPERATION ORGANIZATION (ECO) <i>Mr. Muhammad Umer Abbasi</i>	1
• STABLE AFGHANISTAN: SUGGESTED GOVERNMENT MODELS FOR AFGHANISTAN IN POST AFGHAN WAR SCENARIO <i>Ms. Afshan Sajid</i>	36
• US DRONE ATTACKS ON PAKISTAN – A LEGAL PERSPECTIVE <i>Ms. Beenish Sultan</i>	49
• THE NON-TRADITIONAL SECURITY THREATS TO CENTRAL ASIA <i>Ms. Safa Naseem Khan</i>	68
• RESURGENT RUSSIA: CHALLENGES & PROSPECTS FOR SOUTH ASIA <i>Ms. Rizwana Khalid</i>	86
• SOUTHERN DISTRIBUTION NETWORK VIS-À-VIS NORTHERN DISTRIBUTION NETWORK; AN APPRAISAL <i>Mr. Muhammad Saleem</i>	108
• BOOK REVIEW <i>Air Commodore Zia ul Haque Shamsi</i>	131

**BENEFITS OF REGIONALISM AND THE
POTENTIALS OF ECONOMIC COOPERATION
ORGANIZATION (ECO)**

Mr. Muhammad Umer Abbasi

Abstract

The benefits of globalized economy are unbalanced in the favor of developed countries. Weak economies of developing countries, having lack of capital and technology, can not compete in international competitive markets. Economic cooperation via regionalism is an effective way for safeguarding the interests of developing countries of global South.

Introduction

Economic Cooperation Organization (ECO) is one of the regional economic blocks of the developing countries of West, Central, and South Asia. Being ideally situated in geographic terms and consisting of not only resource rich countries in its north but also those that can provide them easiest outlet to the world energy markets, ECO has the potential of becoming hub of economic activities linking Europe to Asia and also Central Asia to South Asia. In this connection, the geographic position of Pakistan is very ideal, a bridge between Central and South Asia. It is in this context that the research is undertaken to explore the possibilities of making ECO a vibrant economic hub between Europe, Central Asia, and South Asia. If the ideal were attained, it would help billions of people of the region to benefit from the mutual gains of the organization.

The member countries of ECO do not address political and security matters in their agendas, therefore, no significant progress has been made even in the implemented projects. Unless political stability is attained in the region, neither there could be favorable environment for business activity nor the decided projects could be materialized. Therefore, without securitization of the agenda, ECO cannot become a strong and viable economic block.

**Overview of Contemporary Global Economy and the
Importance of Regionalism:**

Later half of the 20th century witnessed an unprecedented development of science and technology. Nation states came closer due to the progress of communication. Increased interaction between diverse cultures awakened the consciousness of humanity and people realized the futility of wars. Economic factor in international politics gained prominence and the concept of international political economy became mainstay of international policies. United States of America (USA), the undisputed power of the west, along with her allies strengthened the capitalist economic system to pursue their national interests by employing economic statecraft.

Post World War-II period has been characterized by the West initiated political economy. Unprecedented levels of multinational production, cross border financial flows and trade liberalization have created a contradiction between increasing economic integration and concentration of wealth

in few countries of global North. The international regimes like International Monetary Fund (IMF), International Bank for Reconstruction and Development (IBRD) and World Trade Organization (WTO) are under the influence of USA and the West. The policies of strong economic growth, modernization and investment of Multi National Corporations (MNCs) in developing countries have marginalized the developing South. After cold war a multilateral economic order based upon joint leadership of Europe, Japan, and USA have emerged.¹

The subsequent victory of the USA and the West in cold war further encouraged them to advance their ideology of liberalism. The dawn of 21st century saw the world divided into two economically divergent blocks. The pursuit of free trade economy made the countries of global North highly rich and developed with all the amenities of luxurious life. On the other hand, the third world countries of South became highly poor and impoverished. In the current state of world economy, fifteen percent of the world population living in the global North is in possession of more than eighty five percent of global wealth whereas the rest of humanity shares the remaining.² Globalization has brought unprecedented dividends to the developed world but the developing countries are still struggling to cope with its challenges.

Over all view of the contemporary global economy portrays a picture where the powerful countries are still exploiting the resources of developing countries in new form of colonialism. Physically, the countries of South claim to be independent but

in economic terms, the global policies are not only formulated by global North but are also executed by the global regimes, which are controlled by powerful states. Although the phenomenon of globalization has produced dividends for some developing countries like newly industrialized countries of South East Asia but as a whole the concept of free trade of globalization puts weak economies of developing countries at stake.

This state of world affairs is best elaborated by *structuralism*, a cluster of theories whose aim was to give an account of the political and economic subordination of South to the North.³ Core-Periphery is one of the theories of structuralism, according to which the North and the South are structurally divided into two parts; the capitalist countries form the core and the poor Southern countries are at the periphery. Raul Prebisch, an Argentinean economist, was one of the promoters of this theory who identified the mechanism by which the capitalist states held back the periphery. According to him, it was due to the pattern of specialization that so called free trade became established in world economy. This pattern involved South in the production of primary products which are exchanged for the manufactured goods of the North. He further explained that in the long term that pattern of trade was detrimental to the interests of the South because the value of primary products remains the same but that of manufactured goods increased with the development of technology.⁴

The crux of the matter is that those countries which have control over power of manufacturing always remain dominant on those whose economies can not produce manufactured goods. In order to control their dominance the countries of global North favor the hegemonic liberal theory, according to which USA, the uni polar super power is a liberal hegemony which has created conditions of liberal economic activity to further absolute gains. These countries have maintained unity under “Washington consensus”, an economic model of interaction under which free trade is implemented and regulated via American sponsored global regimes. Since, these countries have control over capital and technology, therefore, the gains earned from these policies go to their favor at the detriment of global South.

The positive effects of liberalization can be gained under specific conditions. Cultural affinity along with standard of education, level of economic conditions of the states and the geographic factor are important determinants of the success of liberal trade. Since, at global level, there is great cultural diversity and a huge gap between the educational standard of the countries of South and North, therefore, free economic interaction at international level creates disequilibrium among different economies of the world.

Secondly, the level of economies of the countries of North and South is poles apart; the former have vast economies created via control over capital and technology and the small economies of latter are dependent on the capital and

manufactured production of the former. Under conditions of free trade at global level, free market access to every competitor is offered and under unequal standards of economy, the benefits of liberalism are bound to go to the countries of the North while economies of the South will always remain in the disadvantageous position.

Geographic contiguity is also a crucial factor for harvesting the fruits of liberalization. Sheila Page is of the view that political or social sympathy may be greater among those who are near than among those who are at more distance, as when the distance and size increases and economic contact decreases, there will be a decline in benefits of liberalization. Therefore, in global liberalization more industries are affected at home and more political interests have to be reconciled abroad.⁵ This factor illustrates the significance of regionalism. Economic interaction at regional level creates ideal conditions for liberal trade. At regional level, chances of convergence of political interests are stronger, making way for economic integration. Similarly, at regional level, the standard of economies is almost the same, therefore, absolute benefits of liberalization are shared almost equally.

Another advantage of regionalism is that “Regional groupings offer the benefits of providing a stronger platform for operating and negotiating in the global economy. Regional organizations also offer potentially congenial ways of arranging economic relations between dominant local economic powers.”⁶ It means when smaller economies are

grouped into regional blocks then in global interaction their accumulated strength is much greater as compared to their individual status. Secondly, unlike individually, the weaker economies of regional block with combined strength can compete with the dominant economic power in their neighborhood. In this connection, the example of South East Asian nations is worth mentioning. In the presence of Strong Chinese economy, their economic-political value was insignificant but when these countries grouped themselves into ASEAN, not only their combined strength saved their vulnerable economies but their political importance was also enhanced and China was no longer able to dictate her terms to them.

It suggests that benefits of regionalism are not limited to economic realm but have far reaching political effects. According to John Ravenhill, economic cooperation in regions is sought for political as well as economic ends. The political ends include restoring confidence among member states, enhancing security against common threats and addressing non-traditional security threats like environmental damage, illegal migration terrorism etc. So far as economic objectives are concerned, regionalism provides continued protection of those sectors that could not survive in global competition. Regional blocks also create a greater market, which attracts foreign direct investment. Another economic advantage is that it provides opportunity for deeper integration involving issues

like domestic competition, intellectual property rights, or labor standards etc.⁷

So far the political ends related to common threats are concerned, the formation of European community is worth considering. Threat of communism converged the interests of all European nations and they pooled their individual economic strengths together to gain political unity. European regionalism provided a strong bulwark against USSR and also avoided conflict among them. One of the promoter of European Unity, Robert Schuman advocated that, “West Germany and French coal and steel industries should be put under a single authority. The solidarity between two countries established by joint production would show that war between both became not only unthinkable but materially impossible.”⁸ The idea suggests that due to common economic interests the political tussles and rivalries are minimized gradually making way for political reconciliation.

This is again evident in the gradual political integration of European countries. According to John T. Rourke, for about thirty years, European integration focused on economics. Economic barriers were eliminated, which committed the European community to become a fully integrated economic union. Then, came a point where economic integration could not continue without taking steps towards political integration. As people were united economically, it was easier to think of becoming one politically.⁹

Yet another discussion on regionalism has highlighted the preference of political factor over economic one in this way. Karl Dutsch's analysis on integration claims that, "regionalism can only takes place by political will of the communities. If due to political will the hard decisions on matters such as defense and foreign policy issues that are central to the security of states are tackled first, it makes the integration of less sensitive areas even easier. Success of prospective community can only be measured once it securitizes the agenda of high politics and applies it to low politics."¹⁰

Analyzing on the basis of both view points it is discerned that success of regionalism is a three stage process. Political will among member states is the first essential of all regional block formations. The political will for regionalism in Europe was created due to the common threat of USSR. In case of ASEAN, it was the Chinese factor that provided the political impetus for regional block formation. Second stage of regionalism is the economic interaction for supporting the weaker economies against tough foreign competition. Trade among member countries of the regional group is free but in relation to external countries, protection is offered to the vulnerable economic sectors of the members. Importance of regionalism in the view of Horst Siebert is that in regional cooperation, trade among member countries increases due to abolishing tariffs, as compared to non-members because their competitive value decreases when they face tariff barriers.¹¹ Regionalism provides continued protection of sectors that

would not survive in global competition. Regional manufacturers believe that domestic producers will be successful in competition with regional partners and will benefit from larger protected market that regional schemes create but they would not survive a competition with producers located outside the region.¹²In this context the rise of ASEAN countries as a united block manifests the importance of regionalism in providing protection to their individual weak economies against competitive global economy.

The third and final stage of regionalism is political integration that is achieved in its advanced stage when the economic integration has been successfully sustained. But the development of that stage requires increase cultural homogeneity and common security perceptions. The only successful example of that stage is evident in the formation of European Union.

Potentials of Economic Cooperation Organization (ECO) and its Performance

ECO is a successor of Regional Cooperation for Development (RCD) that came into being in 1964. Iran, Pakistan and Turkey were its members. The organization aimed at economic development of the region through increased cooperation by promoting intra-regional trade. Practically, no major economic development took place in the region. There was neither improved intra-regional trade nor there was harmonization of economic policies. In late 70's,

major political changes took place in Iran and Pakistan. The monarchy of shah of Iran was overthrown via Islamic revolution and in Pakistan martial law was proclaimed. The new governments had different priorities and policies; therefore, in 1979, RCD became a practically defunct organization.

In 1985, the organization was revived with a new name ECO. It came about as preferential trade agreement between Iran, Pakistan, and Turkey.¹³ In 1987, the member countries signed Izmir Treaty and gave ECO a formal organizational foundation.

After the collapse of USSR in 1991, six Muslim republics became independent. Owing to the strong historical, cultural and religious ties with these republics, all of them along with Afghanistan were incorporated into the fold of ECO. Therefore, at present ECO is a regional grouping of ten Muslim countries namely, Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey, Turkmenistan, and Uzbekistan.

Total population of ECO region is about 380 million (approx). It is about 6 percent of the total world population and occupies 8 million square km of area which is about twice the size of EU (most successful regional grouping of the world).¹⁴ Its countries are located in different but linked geographical regions. Whole of Central Asia with its five countries along with a trans-Caspian country Azerbaijan are its members. Pakistan from South Asia and Iran and

Afghanistan from West Asia belong to ECO and lastly Turkey a land of Asia and Europe is also its part.

Geographically, it is the only regional grouping of the world that is lying at the cross roads of five very important regions or countries of the world. Russia is located in its North, China is in North East, South Asia is in the Southern part, Middle East touches it in the South West, and Europe is situated to its West. This ideal location makes ECO geographically a very significant organization.

The energy laden countries of Central Asia and Caspian region are its members. The fact that all these countries are landlocked brings into prominence the importance of those countries, which can provide them an outlet e.g. Pakistan and Iran. The peculiarity of ECO is that it is comprised upon not only the resource rich states but also those that are geographically very important. Secondly, the region of ECO connects Asia with Europe & Central Asia with South Asia. If it becomes a united block then the whole of trade between these continents would be undertaken through it.

So far as the energy and agriculture sources of the region are concerned, there is a presence of hydrocarbons in CARs and a strong agriculture base in Southern countries of the region. CARs contain 150 billion barrels of crude oil and 1234 trillion cubic feet of natural gas reserves.¹⁵ Kazakhstan & Azerbaijan have extensive reservoirs of oil and Iran, Turkmenistan, & Uzbekistan have huge amounts of natural gas. The countries of Tajikistan & Kyrgyzstan have potential

hydroelectric energy capacity. Apart from Kazakhstan, all countries are cotton exporters with Uzbekistan being the world's fifth largest producer and second largest exporter.¹⁶ Pakistan & Turkey are known for their textile industry. ECO region contains 11.62 percent of the total crude oil of the world and 20.15 percent of the world's natural gas.¹⁷ The presence of significant amount of world's economy fuel has attracted the attention of world powers in the region and the Central Asian region of ECO has become the battle ground for new great game of oil politics.

Central Asian countries are blessed with huge amount of natural resources. Since, they are landlocked therefore they depend upon other countries for gaining the world markets for the transportation of their oil and gas. Presently, majority of their transportation takes place via Russia. This northern transit route is not only lengthy and expensive but it also makes them dependent upon Russia-their old ruler. Russia enjoys the monopoly of their resource trade by manipulating transit fees. There are also other alternative routes favored by different powers. For instance, westward route to Europe is favored by USA and eastward route by China. The most cheap and ideal route for these countries is in the South via Pakistan and Iran, both ECO member states. Therefore, for central Asian countries ECO region route will be the most effective in terms of cost and dependability. This is a great incentive of ECO for the landlocked countries of Central Asia.

If location of Pakistan is considered on the map, it acts like a bridge linking Central Asia with South Asia. Central Asia is a resource rich region looking for markets and South Asia, being energy hungry, affords a ready market for its resources.¹⁸ Secondly, if dependence on Russia for energy transportation to Europe ended and westward route via Turkey is used than Central Asian countries would be dealing with the markets of Europe directly.

ECO is suitable to CAR's as compared to other regional organizations like SCO, CIS, or CSTO, because there is no dominating power in it, and the economies of countries are not significantly different. In all the other parallel organization of Central Asian countries, either Russia or China is present. Both of these are powerful countries and their economies are far stronger than Central Asian countries. Therefore, in case of economic interaction these powerful countries would take the lion's share and weak economies of Central Asian countries would not be added to get the relative advantage effect. Secondly, these organizations do not have the advantage of ideal location as the ECO region has.

Given her more diverse and strong economy, ECO is more productive for Turkey. It can play a more dominant role in ECO than in EU. If the pipelines take Turkey's route then she would act like a bridge between Europe and Central Asia. This would enhance its role and importance within ECO.

Due to her nuclear program, Iran is subjected to sanctions and restrictions. If ECO becomes a united economic &

political block then Iran can overcome her isolation. Secondly, if Iranian region is used for resource transportation of Central Asia then Iran's economic problems can be overcome, even it offers the cheapest transit rates. As compared to SAARC, ECO is more beneficial to Pakistan, due to the absence of a hegemonic country like India- that has halted any progress of SAARC, and secondly, it can also offer the easiest route to pipelines coming from Central Asia.

After looking into the potential of ECO region, the picture is obvious. The region is not only located at the cross roads of the most important regions of the world but also contains the fuels of global economy in abundance. The value of energy attracts the regional and global powers into central Asia. The importance of Pakistan, Turkey, and Iran is also significant as they provide pipeline routes to landlocked CARs.

The above debate also manifests the fact that for all member countries, ECO is more beneficial as compared to other regional groupings. The fact that all these countries have almost similar level of economies; rich historical, cultural and religious commonalities and above all, none of them is a hegemonic power demonstrates the ideal position of ECO for the member countries. Now the question arises how the potential advantages of ECO can be exploited in the best interests of member countries.

The last part of this paper tries to find the answer of the above mentioned question. In the next part various

suggestions have been made for making ECO a viable economic organization.

Since the main objectives of ECO are based upon economic development, therefore, the priority areas for this organization have been trade and infrastructure development. For promotion of trade, the development of transport and communication infrastructure is vital; therefore this sector of economy has always been given primary importance in the agendas of ECO's summits. In this regard, following progress has been made in infrastructure development.

Quetta plan of action was adopted in 1993 that contained key objectives in the field of transport & communication.¹⁹In 1997, that plan was further elaborated in Almaty Outline Plan by suggesting interconnection of road & railway networks of CAR's with the roads & railways of Pakistan, Iran, & Turkey. It also aimed at construction of missing links of roads and railway lines. One of its major objectives was to open international road transportation among ECO countries.²⁰From 1998 to 2007, ECO decade of transport and communication was celebrated, which contained plans and actions to eliminate non-physical barriers on main transit-transport routes of the region. It aimed at developing physical infrastructure of East-West & North-South transport corridors. It was also decided that during that decade, telecommunication & postal links in the ECO region would be developed.²¹

In 2009, ECO container train service was launched between Pakistan, Iran, and Turkey. The train's route was Islamabad-Tehran-Istanbul. It aimed at connecting Pakistan to Europe via Turkey. The railway line can link whole of ECO region to Europe. But at present there are some missing links that need up-gradation e.g. Quetta-Taftan track & Kerman-Zahidan track.²²For facilitation of road transport in the region ECO-IRU Silk road Truck CARAVAN Project was launched in 2010. The caravan started from Islamabad in April 2010 and terminated at Istanbul in October 2010, after completing its 11,000 km journey. It passed through seven ECO countries bypassing turbulent region of Afghanistan. Its purpose was to collect data to facilitate road transport in the region.²³

The second area of interest in the ECO member countries has been intra-regional trade. For the promotion of trade following measures have been planned.

In 2003, ECO Trade Agreement (ECOTA) was signed for establishing free trade area in the region by 2015. It was decided that tariffs on 80 percent of the goods traded will be reduced to 15 percent. The agreement has still not been ratified by Iran due to her differences with Turkey over tariff issues.²⁴In 2007, ECO Trade and Development Bank (ECOTDB) was established. Its purpose was to mobilize resources for initiating, promoting, and providing financial facilities to expand intra-regional trade and to provide expert advice to the member states in financial matters. Although,

the bank is functional in Istanbul, yet it has not undertaken any concrete project.²⁵

The above mentioned projects and plans clearly indicate that ECO is basically an economic organization. Even the new comer nations of Central Asia have only economic interests in the organization. Sawaran Singh has described the reasons for Central Asian Republics' joining the ECO in these words "As regarding CAR's, the main attraction for them lay in the ECO's concrete plans for economic development, particularly in communications and other infrastructure building".²⁶ According to Najeeb Ur Rahman Manalai, the diverse potential and its uneven distribution in the ECO region make it necessary for the countries to have economic collaboration. For example Kazakhstan has vast wealth of oil and gas while Uzbekistan and Turkmenistan have abundance of natural gas. This asymmetry of energy resources calls for an economic cooperation for gaining mutual benefits and also for transporting this potential to outside world.²⁷

The agenda of ECO does not address political or security issues. Some critics have stated that regional formations of the Muslim world are least effective due to the lack of securitization of their regional agendas.²⁸ Since the member countries do not address political and security matters in their agendas therefore no significant progress has been made even in the implemented projects. Unless political stability is attained in the region, there could neither be favorable environment for business activity nor could the decided

projects be materialized. The political turmoil in Afghanistan and security related problems of terrorism, ethnic disputes, drug and weapon trafficking need united security and political approach and that is missing in the agenda of ECO. Therefore without securitization of the agenda, ECO cannot become a strong and viable economic block.

Impediments in the Way of ECO

There are many factors that hinder the trade cooperation among ECO countries. The first is related to the historical legacy of colonial rule. The patterns of trade developed by the colonial rulers (Britain and Russia) are still existent in the ECO countries. The CAR's were bound by former USSR in the intra-republics trade. The southern states of ECO being under the influence of Britain had no connection with the northern states of Central Asia due to the Great Game's curtain. Southern states got independence much earlier but the states of Central Asia remained under USSR control. Since the latter states' economy was closed under socialist system of former Russia, therefore no trade connection could be developed between the two tiers of ECO region.

The intra-regional trade of ECO is based upon preferential treatment instead of free trade area of the entire region. Preferential treatment has never been successful. Domestic interests who benefit from protection, invariably prove sufficiently strong to keep their product off the offer list, so that the list remain short and often consists only of items for which intra-regional trade is likely to be small.²⁹

The development of intra-regional trade is the lifeline of regional cooperation. Strong business activity is the key to mutual interaction among regional member states. In the case of ECO, the state of intra-regional trade is dismal. The northern states of the organization depend upon Russia and the West for their trade. Turkey's trading partners are EU and USA, whereas the trade of Central Asian states is linked to Russia. For trade, Southern states are also dependent on external players. Pakistan's major trading partners are USA, Britain, Saudi Arabia, and Germany. Iran mostly trades with Japan, Germany, France and China. Afghanistan continues to survive on minimal foreign aid. None of the ECO members is each other's major trading partners, which raises doubts on the efficacy of ECO's progress in relation to economic development.³⁰

The second important issue regarding trade is the narrow growth base of export competitiveness, concentrated on primary products, textile or hydrocarbons. The exports of Iran and Turkmenistan are dominated by oil and natural gas, Azerbaijan and Kazakhstan rest heavily on exploitation of their large oil reserves. Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan have minerals which may be commercially exploited. Cotton is the biggest primary export of Pakistan, Turkey, Uzbekistan and Tajikistan. The economies are too similar in their dependence on a limited range of primary products to offer great gains from intra-ECO trade.³¹ State of macroeconomic performance of the member states, structural

impediments: especially non-tariff barriers (e.g. quantitative restrictions, delays in custom clearances, payment settlements difficulties, high transit fees and charges), and infrastructural deficiencies (both physical and non-physical) concerning land and railway transportation are the other obstacles in the way of intra-regional trade of ECO countries.³²

For the realization of promising trade, infrastructure development is a must. In the case of ECO countries, there are two logistical impediments in their trade. One is linked to the inability of their infrastructures to develop airline and shipping companies. The second factor is due to the lack of railroads and motorways.³³ The development of transit routes for the trade of the landlocked members of ECO is very important. The main rail and road links of the CAR's lead north through Russia and Caucasus.³⁴ This factor keeps CAR's away from other ECO members not only in terms of trade but also in terms of people to people contact. Secondly, the infrastructure development of southern states like Pakistan and Iran is in dilapidated condition. The Quetta-Taftan railway track of 700 km still needs \$500 million to meet International standards. Similarly 540 km rail track between Kerman and Zahidan (inside Iran) is also under construction.³⁵

Political stability is the backbone of economic development. In case of ECO region, the political instability in Afghanistan has marred all prospects for economic progress. The central location of Afghanistan makes it a bridge linking

majority of ECO countries. Civil war and war on terror has kept all the roads of interaction closed. The menace of terrorism, drug trafficking and criminal activities in Afghanistan has spill-over effect and the security of all the neighboring countries is threatened.

Instead of joining together for the solution of Afghan problem and forging unity for a joint strategy for addressing their common security dilemma, the ECO member countries depend on external mechanisms for their security. Central Asian states look towards Russia and have joined her sponsored regional security organizations like CSTO, CIS or SCO. Turkey depends upon NATO and Pakistan inclines towards USA for her security. Iran follows neither East nor West policy and Afghanistan depends upon ISAF for security. These independent, divergent and outward looking security approaches keep ECO countries away from one another. So far the agenda of ECO is concerned, it is economic based and lacks securitization of agenda.

Some countries face inter-state ethnic problems. Afghanistan and Tajikistan remained involved in ethnic disputes for many years. Kazakhstan and Uzbekistan have also similar issues. Recently, Kyrgyzstan has faced ethnic turmoil between Kyrgyz and Uzbeks. Pakistan and Iran are also suffering from ethnic problems. The root cause of these ethnic problems has colonial flavor because the boundaries of almost all these countries have been demarcated without taking into consideration the ethnic homogeneity.

The most attractive factor of ECO countries is the presence of hydrocarbons in Central Asian region. The importance of oil and gas in the world of economy attracts the world energy hungry powers to Central Asian countries. The fact that all these countries are landlocked further enhances the importance of those countries that can provide transit facilities to pipeline routes. Therefore, a sort of new great game is on between powerful countries to get access of the energy resources of the region. The main actors of the Great Game are Russia, China, Iran and the USA.

At present, majority of the hydrocarbons are being transported via Northern routes that are controlled by Russia. The oil and gas to Europe goes through Russia, which not only manipulates the transit charges to her own advantage but also exploits the politics of Central Asian countries. Caspian Pipeline Consortium (CPC) takes oil from Kazakhstan to Russia. Baku- Novorossiysk brings oil from Azerbaijan to Russia. Similarly, gas of Turkmenistan is being transported to Europe via Russia, who is planning to establish a regional organization like OPEC by including the Central Asian countries into its orbit. She wants complete monopoly over the transit routes and opposes any other possible routes.³⁶ China has also jumped into the battle ground of new great game and wants hydrocarbons to run through her territory. Kazakhstan-China pipeline (KCP) is partially operational for bringing oil to China.³⁷ She is also looking for bringing gas via this route.

The third big outside contender in this race is USA who favors those routes that neither pass through Russia nor through Iran. It tries to establish Trans-Caspian Pipeline (TCP) that is supposed to bring oil or gas to Europe from Kazakhstan and Turkmenistan, bypassing Russia and Iran.³⁸ (See Annex 2) She also favors Turkmenistan-Afghanistan-Pakistan-India Pipeline (TAPI) that is also halted due to political turmoil in Afghanistan. (See Annex 3) Iran is the only ECO country involved in this game. She not only offers her territory for transit facilities but also offers the cheapest rates. Two of her favored routes are Turkmenistan-Iran-Turkey gas pipeline (TIT) and Kazakhstan-Turkmenistan-Iran oil pipeline (KTI). But the problem for Iran is that neither she has extensive pipeline infrastructure nor Central Asian countries want these routes since these are objected by USA.³⁹

A cursory glance at the story of this Great Game reveals the fact that the involvement of big powers for their interests halts any close interaction by the ECO countries. All powers pull these countries towards their sphere of influence as they are handicapped due to their weak position and lack of unity among them. One of the major reasons for US presence in Afghanistan is to manipulate the oil politics in her favor. And that seems to be the reason for prolonging her physical stay in the region by 2014.

From the above discussion, it has become clear that the economic reasons for the failure of ECO are preferential treatment inside the region, lack of export diversification and

poor infrastructure that does not connect countries of the region. Another reason for lack of development of trade in ECO region is the absence of common custom union. The importance of custom union in regional cooperation has been highlighted in these words, “When a custom union is formed, trade is both created and diverted. Internally, potential member states expect the combination of economies of scale and lowered trade barriers to facilitate trade. Within such a regional trading arrangement, countries also achieve gains to trade through the reciprocal exchange of concessions on trade barriers and greater market access. Externally, the privileges to states within the union are not shared with those on the outside giving a de facto advantage to union members.⁴⁰ Therefore, the formation of ECO custom union is the primary requirement for developing trade inside and across the region.

In political terms, the political and security problems have to be addressed by forming a joint security policy. The foreign interests relating to pipeline routes have to be addressed by considering those options where the interests of ECO countries are served in the best way that needs a political will based upon thinking in terms of common gains.

Future Prospects and Way Forward

For the promotion of trade, there is a need of establishing free trade area within ECO region by across the board elimination of tariffs.⁴¹ So for as external trade is concerned, instead of liberalization, it is logical to have a corporatist strategy of protectionism under preferential trade

agreements.⁴² For this to accomplish, ECO countries must form a custom union for enjoying the benefits of free trade internally and protecting their industries from imported products. Secondly, for trade facilitation there should be free movements of goods, capital, people & services along with simplification of visa requirements and abolishment of non tariff barriers. Thirdly, there is a need of investment in labor intensive manufacturing. Combination of unskilled labor with the capital and experience of Asian private entrepreneurs could be profitable.⁴³

For improvement of export diversification, the countries should start trading in those products that could bring relative advantage effect. For example there is no trade between Kazakhstan and Pakistan. Kazakhstan imported prepared foodstuffs of \$1,082.6 million from abroad. Pakistan can provide foodstuffs to Kazakhstan.⁴⁴ Similarly there is no trade between Kyrgyzstan and Pakistan. Kyrgyzstan imports vegetable products and foodstuffs for \$ 62.6 millions, beverages and tobacco for \$ 141.6 million, and textile and fabrics for \$ 51 millions from abroad. Pakistan and Turkey can provide these items.⁴⁵ Kazakhstan and Azerbaijan can provide oil and Iran and Turkmenistan can provide gas to Pakistan and Turkey. Pakistan and Turkey can help these countries in textile industry.

For the realization of a viable regional organization, joint ventures among the member countries are essential. The example of EU is a model where in the beginning, the member

countries pooled their resources of coal and steel and got fruitful results. Joint ventures make the interests of the countries similar and also save a lot of capital by combination of production. Secondly, these ventures create big markets that compete in the international economy.

In case of ECO, almost all countries produce cotton but majority of it is exported in raw form. If this commodity is manufactured jointly by making it value added (in the form of cotton yarn, fiber or textile) then cotton industry has the potential of becoming one of the world's largest market. It would give ECO countries' monopoly in this export item. But for joint qualitative production, industrial development has to be given prime importance. In developing countries, industry as an academic subject is not given preference. On the other hand, if we take the example of USA, 65 percent of Ph.D scholars of industries are practically engaged in industrial research. ECO countries are lacking industrial development, technology and education. Therefore, there is a need for a joint industrial research centre. It would increase potential of industries and increase the quality of products.

For transfer of technology, ECO needs establishment of research oriented ECO University of international standard where expert international scholars in the fields of Industry, Agriculture, Science & technology, Information technology, Atomic energy etc. should be hired. Promising students should be sent to developed countries for higher education on

scholarships. And after their return, they should be compensated as per international standards.

For the promotion of trade, infrastructure development is the basic requirement. ECO countries need establishment of airline and shipping company along with the development of road and rail lines infrastructure. Since, the road and rail lines of CARs are in northward direction therefore, there is a need of linking these countries to the South. In this regard, investment from China can be beneficial. China is interested in trade with this region. It has borders with Kazakhstan, Kyrgyzstan, Tajikistan and Pakistan. If road infrastructure is developed from above mentioned CARs to China and from there it is linked to Karakorum highway in Pakistan then it would eventually link all these countries along with China to Karachi or Gwadar. Since China has developed Gwadar port for access to CARs therefore she would definitely show interest in this project. As far as the railway links are concerned, the missing links in the region should be bridged like up gradation of Quetta-Taftan track & Kerman-Zahidan track so that a network of railway tracks could be laid in the whole region for easy transportation of goods and people.

The presence of oil and gas is the strength of ECO region. As mentioned earlier many foreign players are active in the control of pipeline routes to get access to these precious natural resources. ECO countries should favor those routes through which not only they benefit the most but also get rid of external dependence. At present, the routes via Iran and

Pakistan seem to benefit the ECO region. The Iran proposed routes like Turkmenistan-Iran-Turkey (TIT) gas pipeline route and Kazakhstan-Turkmenistan-Iran (KTI) oil pipeline routes which are favorable to her because she offers the cheapest rates and there would be no foreign involvement. But these could be made practicable when the existing pipeline structure of Iran is made extensive which needs joint investment of all ECO members in this project.

Recently, Iran and Pakistan have successfully concluded an agreement for the transfer of gas from Iran to Pakistan i.e. Iran-Pakistan gas pipeline (IP project).⁴⁶ If this route is connected to already operational Kurpezhe-Kurt Kui (KKK) gas pipeline; that brings gas from Turkmenistan to Iran, then the TAPI route which is impracticable due to situation in Afghanistan can be bypassed. The third proposed project of pipelines route could be thought of if the narrow strip of Wakhan that connects Tajikistan and Pakistan, is taken into consideration. Although, the Wakhan corridor is wedged in rough and tough Pamir Mountains yet it could be used for pipeline routes if joint heavy investment is made by ECO countries. The most attractive aspect in this route is the shortest distance. The following comparison table shows that distance between Dushanbe (capital of Tajikistan) and Karachi is shortest as compared to other possible routes. This fact enhances the position of Pakistan as the most important energy transit corridor.

Dushanbe-Karachi----- 2720 km

Dushanbe-Bandar Abbas (Iran) ----- 3400 km

Dushanbe-Vladivostok (Russia) ----- 9500 km⁴⁷

End Notes

¹ Jerry A. Freidan et al, *International Political Economy* (New York: St. Martin Press, 1995), p. 13-16.

² Charles W. Kegley, JR. et al, *World Politics: Trends and Transformation* (USA: Thomson Wadsworth, 2004), p.189.

³ Chris Brown and Kirsten Ainley, *Understanding International Relations* (New York: Palgrave Macmillan, 2009), pp. 163-4.

⁴ Ibid., p.164.

⁵ Sheila Page, *Regionalism Among Developing Countries* (New York: St. Martin Press, 2000), p.18.

⁶ Bary Buzan et al, *Security: A New Framework for Analysis* (USA: Lynne Rienner Publishers, 1998), pp.112-114.

⁷ John Ravenhill, *Global Political Economy* (New York: Oxford University Press, 2005), pp.120-124.

⁸ Dick Leonard, *Economist Guide to European Union* (London: Profile Books Ltd, 1997), p.5.

⁹ John T. Rourke, *International Politics on the World Stage*, p.202.

¹⁰ Ejaz Akram, *Ideals and Realities of Regional Integration in the Muslim World* (New York:Oxford University Press, 2008), pp.35-36

¹¹ Horst Siebert, *The World Economy* (New York: Routledge, 1999), p.191-192.

¹² John Ravenhill, *Global Political Economy* (New York: Oxford University Press, 2005), Op cit., pp.120- 124.

¹³ Ejaz Akram, *Ideals and Realities of Regional Integration in the Muslim World* (New York: Oxford University Press, 2008), pp.35-36.

¹⁴ Hussein Mohi-ud-Din Qadri, "ECO: Past and Present", *The Post*, June 22, 2009.

¹⁵ Shah Mehmood Qureshi (key note address), "Pakistan-The Bridge Linking South Asia and Central Asia" in *South Asia & Central Asia* (Islamabad: Institute of Regional Studies, 2009), p.12.

¹⁶ Prof. Dr. Sarfaraz Khan, "Strategic Strengths and Weaknesses of Central Asia: Pakistani Perspective" in *South Asia & Central Asia* (Islamabad: Institute of Regional Studies, 2009), p225.

¹⁷ ECO Secretariat website, <http://www.ecosecretariat.org>, (accessed 4 December 2010)

¹⁸ Shah Mehmood Qureshi, Op cit.

¹⁹ Muhammad Waheed-ul-Hassan, "ECO: Future Prospects and Suggestions for Improvement", thesis NDC, 2007-8, Sahibzada Yaqoob Khan Library, National Defense University, Islamabad

²⁰ Ibid.

²¹ Ibid.

²² Sibtain Raza Khan, "Towards Regionalism", *The News*, June 21, 2009.

- ²³ IRU-ECO Truck Caravan. <http://www.silkroadcaravan.org>. (Accessed on December 1, 2010).
- ²⁴ Muhammad Waheed-ul-Hassan, "ECO: Future Prospects and Suggestions for Improvement", thesis NDC, 2007-8, Sahibzada Yaqoob Khan Library, National Defense University, Islamabad
- ²⁵ Ibid.
- ²⁶ Sawaran Singh, "Regional Cooperation in Eurasia", in *South Asia & Central Asia* (Islamabad: Institute of Regional Studies, 2009), p.302.
- ²⁷ Najeeb ur Rahman Manalai, "Economic Cooperation between Afghanistan and Turkmenistan: A Means of Regional Political Security", in *South Asia & Central Asia* (Islamabad: Institute of Regional Studies, 2009), p.272.
- ²⁸ Ejaz Akram, *Ideals and Realities of Regional Integration in the Muslim World* (New York: Oxford University Press, 2008), pp.35-36.
- ²⁹ Richard Pomfret, "The Economic Cooperation Organization: Current Status and Future Prospects" in *Europe-Asia studies* p.663.
- ²⁹ Ejaz Akram, Op cit., p.136.
- ³⁰ Ejaz Akram, *Ideals and Realities of Regional Integration in the Muslim World* (New York: Oxford University Press, 2008), pp.116-131.
- ³¹ Richard Pomfret, "The Economic Cooperation Organization: Current Status and Future Prospects" in *Europe-Asia studies* p.663.
- ³² Ejaz Akram, Op cit., p.136.
- ³³ Ejaz Akram, Op cit., pp.198-99.
- ³⁴ Richard Pomfret, "The Economic Cooperation Organization: Current Status and Future Prospects" in *Europe-Asia studies* p.664.
- ³⁴ Ejaz Akram, Op cit., p.136.
- ³⁵ Sibtain Raza Khan, "Towards Regionalism", *The News*, June 21 2009.
- ³⁶ James Fishelson, "From Silk Route to Chevron: The Geo Politics of Oil Pipelines in Central Asia" http://www.sras.org/geopolitics_of_oil_pipelines_in_central_asia. (accessed 2 Dec, 2010)
- ³⁷ Ibid.
- ³⁸ Ibid
- ³⁹ James Fishelson, "From Silk Route to Chevron: The Geo Politics of Oil Pipelines in Central Asia" http://www.sras.org/geopolitics_of_oil_pipelines_in_central_asia. (accessed 2 Dec,
- ⁴⁰ Bob Switky, "The Importance of Trading Blocks", in *The Political Importance of Regional Trading Blocks* ed. Bart Kerremans and Bob Switky (Aldershot: Ashgate, 2000) pg.22-23.
- ⁴¹ Richard Pomfret, "The Economic Cooperation Organization: Current Status and Future Prospects" in *Europe-Asia studies* p.663.
- ⁴¹ Ejaz Akram, Op cit., p.136.
- ⁴² Ejaz Akram, Op cit
- ⁴³ Richard Pomfret, Op cit. p.666.

⁴⁴ Prof. Dr. Sarfraz Khan, "Strategic Strengths and Weaknesses of Central Asia: Pakistani Perspective" in *South Asia & Central Asia* (Islamabad: Institute of Regional Studies, 2009), p. 232.

⁴⁵ Ibid. p.240.

⁴⁶ Arshi Saleem Hashmi, "Politics of Sanctions: Future of Iran-Pakistan-India Pipeline", *Regional Studies*, Vol. XXVIII, No.3, summer 2010, p.7.

⁴⁷ Ahmed Rashid, *The Resurgence of Central Asia: Islam or Nationalism* (Karachi: Oxford University Press, 1994), p.215.

Another notable route that can be feasible for ECO countries is the Trans-Caspian pipeline (TCP) route. That proposed route would bring oil/gas from Kazakhstan and Turkmenistan to Azerbaijan. From there it could be linked to Baku-Tbilisi-Ceyhan (BTC) pipeline. (See Annexure 4) Although the route is favored by USA but majority of the transit countries are ECO members. This fact can end dependence on Russia. Political stability is essential requirement for economic development. As mentioned earlier ECO's economic progress has been marred by political instability. Neither intra-regional trade nor pipeline routes can be developed in the presence of political turmoil, ethnicity conflicts and the problems of terrorism and drug trafficking.

The first step in solving political problems is the securitization of ECO agenda. Without addressing the security related problems the member countries cannot proceed forward. After including security problems in their agenda the leaders of ECO countries must take a united front against all these hurdles. Terrorism and drug trafficking have spill over affect and need harmonization of policies. It would be effective to establish an Inter-Pol like organization within ECO region along with opening its regional branches in every member country. In this way not only information regarding these activities would be shared but it would also be helpful in formulating a unified policy.

The situation of Afghanistan is affecting the whole region and her stability is very important for ECO region. Therefore all heads of governments must get united for finding a durable peace in Afghanistan.

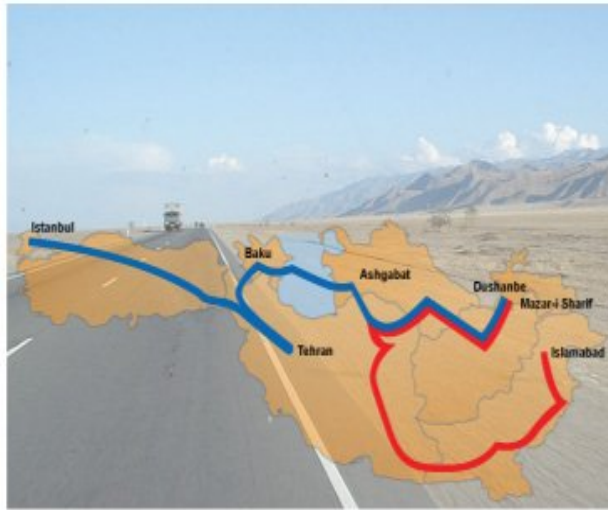
All member countries must devise ways for eliminating the involvement of external actors and helping the country in her efforts of rebuilding.

Ethnic problems of ECO region can be solved by taking all the ethnic minorities on board and by addressing their concerns. If they are given due share by raising their standard of living then their grievances would be redressed. Establishment of free trade area along with free movement of people would be helpful in eliminating the misunderstandings of the people and would cause interaction of ethnic brothers across the borders. It would definitely decrease the sense of deprivation of ethnic minorities.

In a nutshell it is narrated that given the potentials of ECO, the right choice for her member countries is to devote their energies in making this organization viable. The present century would be remembered for the value of energy and since ECO region is rich in hydrocarbons therefore the member countries must exploit their strategic and economic position by forming unity.

Along with establishing free trade area, diversification of exports and infrastructure development, the countries should also form joint policies for industrial development and transfer of technology and human resource development. All these economic gains would be materialized if and only if political and security problems are solved. That needs political will and inward looking policies. External dependence on powerful countries can be reduced if ECO leaders depend on the potentials of their rich region.

Annexure 1 Truck Caravan Route



Source: <http://www.silkroadcaravan.org>.

Annexure 2 TRANSCASPIAN PIPELINE



Source: http://www.sras.org/geopolitics_of_oil_pipelines_in_central_asia.

Annexure 3 TAPI Pipeline



Source:http://www.sras.org/geopolitics_of_oil_pipelines_in_central_asia.

Annexure 4 BTC Pipeline



Source:http://www.sras.org/geopolitics_of_oil_pipelines_in_central_asia.

**STABLE AFGHANISTAN: SUGGESTED
GOVERNMENT MODELS FOR AFGHANISTAN IN
POST AFGHAN WAR SCENARIO**

Ms. Afshan Sajid

Introduction

Traditionally, Afghan society is the collection of several ethnic groups. These entities are based on self-governed tradition. People of these groups or tribes select their leader known as Begs or Khans.¹ Historically, the central body had very loose grip on these tribal groups and provinces, most of which govern them on nearly all matters. Previously, Afghanistan has been the part of various empires based in India and Central Asia. The British, for a long time, used enormous influence in the affairs of Afghanistan. During the Najibullah regime, Kabul tried to exercise its authority on these tribal entities which led to armed resistance in the country.²

Struggle for power continued inside Afghanistan between the British Empire and the tribes and later between various ethnic factions to gain control of Kabul until the Soviet Union invaded Afghanistan in 1979. After the Soviet withdrawal in 1989, the different ethnic groups which were previously fighting against the Soviets now started fighting against each other which caused eruption of a civil war in the country.³ Then came the Taliban regime in 1994 which was, initially, welcomed by war sickened Afghans in the hope of peace and stability. Though, soon after gaining the power, Taliban not

only imposed very strict Sharia laws but also became the notorious violators of women rights and they also allowed Al-Qaeda network to operate in Afghanistan unaccountably.⁴

After the Taliban ouster from power, prominent Afghan leaders met under UN auspices in Bonn, Germany. The Bonn Agreement of December 22, 2001 was anticipated as a first step towards the establishment of a broad-based, gender-sensitive, multi-ethnic and fully representative government. In result of that Agreement an Afghan Interim Authority (AIA), comprised of 30 members and headed by a chairman, was constituted, followed by two years transitional Authority.⁵ An Emergency “loya jirga” (traditional Afghan Assembly) held in June 2002 replaced the AIA with a Transitional Authority (TA). The TA brought together a broad transitional administration to lead the country. Thereafter, first ever general elections were held in Afghanistan (presidential elections in October 2004 and parliamentary and provincial elections in September 2005).⁶

The aim of this study is to highlight the present situation of Afghanistan and in light of this scenario, suggest suitable government models which will lead to the stability and prosperity of the country and will be in favor of region and other stakeholders within and outside Afghanistan.

Contemporary Scenario

Presently, the Afghans are learning the modern way of administration. Although, the prevailing system is under the shadow of various challenges, including fragmented

administrative structure and weak economy. Fragile economy and low earnings mean that few people with significant administrative and management skills are available to run the state machinery. Decades' old armed conflict has destroyed the institutions of higher education, consequently, few people with required skills and educational background are available to run the country. Though, government tried to establish merit-based recruitment procedures, the present system is too slow to bring any vibrant change in the country.

Country's revenue system is also not well geared. In comparison to the state's annual expenditure, current revenues cover less than half of the total expenses. Therefore, the government is heavily dependent on foreign aid. The government not only relies on financial support from donor countries but also gets the assistance in developing the administrative capacity, assessing and collecting taxes throughout the country.

The current debate on success in Afghanistan is limited to how to defeat al-Qaeda and end Taliban insurgency. The Taliban are not the only source of conflict in Afghanistan, rather, they are many and often local. Increasing conflicts in communities far removed from Kabul need a fresh look at current state-building strategies.⁷

Suitable Model of Government

After the long history of armed conflict and instability, the Afghans are in desperate search of way to govern their country. Many political observers are advocating for

strengthening community's self-governance and building local capacities for sustainable development. Majority of Afghans and scholars argue that a decentralized model of governance, based on consensus, devolution of power to village, district, and provincial levels, and a significant degree of local autonomy is the most suitable model of governance which can keep the Afghan nation together. ⁸

Instead of attempting to impose a 'one size fits all' model of the centralized nation-state, Afghanistan needs a public debate to bring forward fresh approaches to governance... It is time that we looked for models of political organization, social control, and economic development that are flexible enough to accommodate the diverse needs of Afghanistan's rural communities.⁹

Lasting peace in the war torn country could only be achieved if moderate Taliban members are allowed to participate in the development of Afghanistan's political structure.

Option One – Model of De-centralization

For the stable Afghanistan, a model of de-centralization would be a viable option. In this model major responsibilities of central government can be marginalized, e.g. to draft and ratify budget, centralize justice systems for various crimes by using traditional customs, to appoint important officials, enforce local laws and regulations, collect local revenues, etc. It increasing the autonomy of local entities would make it easier to win the trust and support of Afghans and would

provide the opportunity to enhance the relations between center and local communities.

However, certain responsibilities like formulating foreign policy and internal security must remain under the authority of central government. This will prevent the local entities, after gaining the autonomy, from hosting the insurgents and radical elements. It will help in preventing the use of Afghan soil for destabilizing its country or planning terrorist acts against other regional countries. Although, this model has no guarantees of ultimate success in Afghanistan but it sounds results in other countries¹⁰ and country's similar natural power sharing pattern suggest that it would provide a rational balancing of power, interests and would help in arbitrating conflicts within Afghanistan.¹¹

However, the model of de-centralization would face the challenges of three kinds. First, Taliban who oppose democracy are likely to resist the approach of vibrant center-local relations (de-centralization). Second, a state with weak administrative system and insufficient number of qualified and competent bureaucrats would not work well in de-centralization setup of power distribution among. Last, the tribal warlords and radical elements would be unlikely accept this type of government because it would threaten their status and authority.

It would not be easy to combat high-level corruption or to improve administrative capacity. A transparent system of governance in which locals make most decisions would allow

Afghanistan's ethnic societies' leaders to regulate the use of power, corruption and public funds.¹²

Option Two – Model of Good Governance

After more than two decades of armed conflict, Afghanistan has faced a large number of political, social and economic challenges to bring lasting peace and stability back to the country. According to the former UN secretary, Kofi Annan, good governance is perhaps the single most important factor in eradicating poverty and promoting development.¹³

Theoretically, good governance has eight major elements: participation; orientation; accountability; transparency; responsiveness; effectiveness and efficiency equity and inclusiveness and rule of law.¹⁴ The starting point of stabilizing a country would be the identification of core districts or centers of gravity where concentration assistance would be needed. These centers of gravity would serve as launching pads for government to spread peace and stability across the country. A team based on local police and citizens would be designed and each center would be assigned to them. The regional team would have the authority to make decision regarding their respective centers.

These regional teams would also establish local councils (Shura) to engage the local community in dialogue process on the issues of security, development and governance. The locals know better about the ways to find solution of their problems. The aim of the Shura would be to resolve communal disputes. They would act as a mediator in existing conflict and initiate a

process of reconciliation. A monitoring body would be created in order to track the activities, development and achievements of the Shuras.¹⁵ The model of good governance would be beneficial only, if the characteristic of the model must be implemented fully. This would require constant and dedicated efforts by the government.

Option Three – Mix Bag of Efforts

Another proposed model of government would be mix efforts of government, local bodies and international community for the stability of Afghanistan. In order to bring peace and stability in the country a future government and international community would unite. Together they would agree on common agendas with the dedication to fulfill their commitments. For the people of Afghanistan both government and international community are untrustworthy and unreliable. They don't have high expectation with them. For them, government and international community are the two side of a same coin. In order to win the support and trust of Afghans, both need to work in close collaboration and coordination, and the success of both would depend on each other.

In case of collaboration between government and locals, this model would not only take many powers that belong to center and hand over to the provincial or district level, but also would go one step further and would grant local authorities the additional power to rule their own as long as they did not cross the redlines imposed by the center. These

redlines would be, first, local authorities would be forbidden to allow their sphere of power to be used in a way that would violate the foreign policy of the country. Second, local administration would be prohibited from infringing on the rights of neighboring provinces or districts, e.g. seizing assets or diverting natural resources. Last, officials would not engage in narcotic or human trafficking and would not exploit the country's natural resources for their own benefits.¹⁶

Option Four – Regional Integration

A sustainable peace in Afghanistan is assumed to be in the interests of Afghans, the region and international community. For the stable Afghanistan, a regional approach would also be in favor of Afghanistan. A friendly and cooperative government in Afghanistan would be equally beneficial for Afghanistan and the region. By creating interests of regional stakeholders – China, Pakistan, Iran, India, Russia, The US and the Central Asia - in the country, a government would prevent instability in the country. The need of regional integration would result into improved regional trade.

One area where the potential gains of regional economic co-operation are particularly high for Afghanistan is energy and energy transportation. Afghanistan would become an important transit and receiver country of cheap gas and hydropower, if the proposed Turkmenistan–Afghanistan–Pakistan–India gas pipeline (TAPI) materialized and also Tajikistan and Kyrgyzstan expanded their export of hydropower resources southwards.¹⁷

A joint India–Pakistan gas pipeline would also help to lessen tensions between these two countries. However, these stakeholders need to keep in mind that insecurities associated with Afghanistan as a transit country and the sheer size of the investments of these transport projects will be stalled progress. Trade between Pakistan and Afghanistan has grown rapidly in the last few years. Afghanistan has become an important destination for Pakistan’s exports over the years. Bilateral trade increased from \$192 million in 2001–2002 to \$1.5 billion in 2005–2006.¹⁸ The strengthening of economic ties would have positive impact on their political relationship.

India, Iran, Russia, Pakistan, China and the Central Asian states and other regional players have the fear that if Afghanistan falls back into disorder, their own security interests will be threatened by the spread of Islamist political movements at their doorstep. Therefore, the stability and peace of their states is greatly dependent on stability in Afghanistan. This would lead to the strong regional cooperation approach which would never allow any armed dispute threatening the integrity and peace of Afghanistan.

The reason of pursuing a regional approach in Afghanistan is doubtless in its outcomes. If Afghanistan’s neighbors (direct or indirect) would collaborate with Afghanistan and other regional countries in regard to counterterrorism, reconstruction, and state-building. The prospects of peace and stability in the region will increase the regional integration

immeasurably, if only government in Afghanistan believes in this approach and formulate a friendly foreign policy.

Recommendations

Stability and peace in Afghanistan requires that its people accept government authority as legitimate and trust in its institutions. This will happen only if the central government addresses the people's primary necessities - security, protection, justice, and economic development - through good governance. In this regard some recommendations are suggested:

- Improve the appointment process for senior officials, especially provincial governors, so that the corrupt and unqualified person do not get important offices and undeserving incumbents can be removed for cause.¹⁹
- Commit to build a capable and competent Afghan National Security Force to provide security to its citizen without depending on foreign troops.
- In order to win the support of ethnic entities, the government should include some of tribal laws within the formal justice system.
- Future efforts to build stability in Afghanistan should be addressed in a regional context.
- The Afghans themselves will need to step forward, take initiative, and bring an end to the culture of aid dependency. The international community cannot do this for them for good.

- Creating the opportunities for returning refugees from Iran to participate in Afghanistan's reconstruction needs to be given higher priority.
- International actors should develop a coordinated plan for development that ties the whole region together economically.²⁰
- The government of Afghanistan and the international community should focus on basic infrastructure development, including power and water development and delivery, and the construction of national and regional road and rail corridors.²¹

Conclusion

After the long history of conflicts, building the Afghanistan's institutions be a daunting task for any future government. Research has the fact that majority proved of Afghans are in favor of better political system which ensure the peace and stability in the country. In order to bring lasting peace and stability in the region, government of Afghanistan must win the popular support of its citizens. Afghanistan is not ungovernable. There are feasible options for Afghanistan which will lead it on the path of stability. For this, government of Afghanistan needs to create various power sharing blocs within Afghanistan.

End Notes

¹ “Afghanistan Government”, *SAARC Tourism*, May 2010, P. 01 accessed at <http://afghanistan.saarctourism.org/government.html>

² Ibid.

³ Laura Schuurmans, “Peace and Stability, Good Governance and Development in Afghanistan”, *Afghanistan: Unabated Turmoil*, (Islamabad: Institute of Regional Studies, May 2008, P. 185

⁴ Laura Schuurmans, “Peace and Stability, Good Governance and Development in Afghanistan”, *Afghanistan: Unabated Turmoil*, Ibid. P. 186

⁵ Rhoda Margesson, “United Nations Assistance Mission in Afghanistan: Background and Policy Issues” *Congressional Research Services*, December 27, 2010, P. 05

⁶ Ibid.

⁷ WV Franklin, “Success in Afghanistan Requires Alternative Models of Governance”, *Future Generations*, May 12, 2009. P. 01, assessed at <http://www.future.org/news/20090512/success-afghanistan-requires-alternative-models-governance>

⁸ Thomas Barfield, Neamat Nojumi, and J Alexander Their, “The Clash of Two Goods”, United States Institute of Peace, accessed on September 2011, at www.usip.org/files/file/clash_two_goods.pdf

⁹ Quotation by Aziz Hakimi, Country Director of Future Generation Afghanistan and a former Director of Public Information and Civic Education for the Constitutional Commission of Afghanistan

¹⁰ Africa (Ethiopia and Sierra Leone), Europe, (Bosnia and Macedonia), the Middle East (Iraq and Lebanon), and Asia (East Timor and, tentatively, Nepal)

¹¹ Foreign Affairs, “Defining Success in Afghanistan”, *Council of Foreign Relations*, July – August 2010, P. 03

¹² Ibid. P. 04

¹³ UNDP, “Democratic governance for human development,” accessed on September 2011 at <http://hdr.undp.org/reports/global/2002/en/pdf/chaptertwo.pdf>

¹⁴ Laura Schuurmans, “Peace and Stability, Good Governance and Development in Afghanistan”, *Afghanistan: Unabated Turmoil*, Ibid. P. 196

¹⁵ Shahmehmood Miakhel, “A plan to Stabilize Afghanistan”, *The Centre of International Governance Innovation*, May 4, 2010, P. 7 - 8

¹⁶ Foreign Affairs, “Defining Success in Afghanistan”, *Council of Foreign Relations*, Ibid, P. 04

¹⁷Heidi Kjærnet and Stina Torjesen, “Afghanistan and regional instability: A risk assessment”, *Norsk Utenrikspolitisk Institutt*, Oslo, 2008, P. 13

¹⁸ Sumita Kumar, “Pakistan-Afghanistan Relations: Stabilizing Politics through Economics”, *Strategic Analysis*, Vol. 32, No. 2, Institute for Defence Studies and Analyses, March 2008, P. 225

¹⁹ “Fundamentals of Governance in Afghanistan”, *The American Institute of Afghanistan Studies*, June 2009, P. 01

²⁰ “Afghanistan’s Other Neighbors: Iran, Central Asia, and And China”, *The American Institute of Afghanistan Studies*, July 2008, P. 18 - 19

²¹ “Creating Security and Stability in Afghanistan and the Region”, *Liechtenstein Colloquium on European and International Affairs*,

accessed on October 2011 at,

www.princeton.edu/lisd/publications/Afgh_2006.pdf