



Toward a Self-sufficient Afghanistan

Western sanctions on the Taliban regime for its restrictions on women's rights are plunging Afghanistan into isolation, including from its neighbours. In this excerpt from the Watch List 2024, Crisis Group outlines ways the EU can support regional diplomacy and mitigate the country's socio-economic crisis.

Afghanistan sank deeper into isolation in 2023 as Western donors slashed aid budgets, partly in revulsion at the Taliban regime's oppression of women and girls, while maintaining sanctions and other forms of economic pressure. The country's biggest trading partner, Pakistan, put up commercial barriers as Islamabad turned against its former Taliban protégés in a dispute over anti-Pakistan militants becoming more violent in the borderlands. It also joined Iran in kicking out hundreds of thousands of Afghan refugees, sending them back to impoverished Afghanistan. Left with little help, the Taliban pushed ahead with self-financed infrastructure projects, took stern anti-corruption measures, stabilised the national currency and enhanced customs revenues. Along with what foreign assistance remains, these policies staved off economic disaster and mitigated the country's humanitarian crisis, but the tenuous equilibrium is unlikely to hold much longer. The most vulnerable groups, especially women and girls, face serious risks on account of much of the outside world refusing to engage with the Taliban government. The Taliban bear most of the blame for their pariah status, having rebuffed foreign entreaties to ease their draconian restrictions on the rights of girls and

women. But the regime in Kabul seems unlikely to give in to these demands in exchange for more aid, let alone to collapse under the weight of outside opprobrium. Meanwhile, the poorest Afghans are the ones shouldering the burdens imposed by the West as donors shy away from supporting the steps necessary for Afghanistan to become self-sufficient.

The European Union and its member states can help address these urgent challenges by:

- Reversing aid cuts. In 2023, European donors sent Afghanistan half the humanitarian assistance they had given in 2022, forcing aid organisations to drastically cut down the number of beneficiaries. The EU and its member states should up their support for the 2024 UN appeal to help the country recover from war, drought, floods and earthquakes and cope with the mass repatriation of Afghans by neighbouring countries.
- Answering the call in the UN's independent review, released in late 2023, for more international cooperation with the Taliban. Mandated by the UN Security Council, the study concluded that maintaining the status quo will likely have "dire consequences". The EU should heed the warning, pivoting from

short-term aid to long-term development assistance; rehabilitating the central bank; and helping Afghanistan restore regular transit and trade with the world.

- Providing assistance to Afghan women and girls more effectively and sustainably. Though it may seem counterintuitive, the most principled response to the Taliban's discriminatory policies, which deprive women and girls of many basic rights, is to work with the regime – at least to some extent and with considerable caution – as the government remains the most efficient, most durable

means of delivering services to the largest number of Afghans. Many cannot be reached any other way.

- Opening doors to the most vulnerable Afghans for safe emigration. EU states agreed on common procedures for screening asylum seekers in 2023; these should now be extended to address the claims of the people most at risk inside Afghanistan – women, ethnic minorities and dissidents – before they undertake the dangerous journey to Europe.

Deeper Isolation, More Fragility

More than two years after the Taliban swept back to power, Afghanistan remains mired in a humanitarian disaster. In October 2023, the UN estimated that 13.1 million Afghans, or 29 per cent of the population, were facing high levels of food insecurity. That represents an improvement from a year earlier (41 per cent) but the situation remains dire – especially for women and girls, who often suffer the worst effects of hunger. With overlapping crises on the horizon, the UN predicts that the proportion of Afghans falling into the worst categories of food deprivation will rise to 36 per cent in the coming year.

On the other hand, the country has not been so peaceful for decades. The Taliban have established greater control over the country than anyone has managed since the late 1970s. Violence subsided over the last two years as the Taliban suppressed small insurgencies: the local branch of the Islamic State, whose attacks occurred mostly in the eastern provinces; and anti-Taliban political factions concentrated in the north. The improved security allows aid workers to travel farther afield than ever before and trade to flow more smoothly. Parents also report fewer safety concerns about sending children to school. Enrolments climbed – overall (and for girls, despite the bans on secondary education, as the proportion of Afghan girls in

primary classes increased from 36 to 60 per cent).

Yet the downsides of the Taliban's strict regime are readily apparent. The new authorities refuse to revisit the bans they imposed in 2022 on girls attending high school and university, leaving girls who wish to continue their studies beyond primary school with few options to do so. Nor do the Taliban seem open to discussing their schooling bans and other regressive policies with international envoys, despite a series of overtures by UN officials and foreign diplomats.

The Taliban's refusal to compromise has blocked, at least for now, the most promising avenues toward breaking the isolation that has hobbled Afghanistan's post-war recovery. Partly due to their own intransigence, the Taliban remain under sanctions, the state's foreign reserves are frozen in overseas accounts and Afghan businesses have trouble making transactions with counterparts abroad. The Taliban have little prospect of taking Afghanistan's seat at the UN any time soon.

Cut off from global financial systems, the Taliban have still managed to pay civil servants, cover the costs of imported electricity and scrape together funds for rudimentary work on dams, canals and other infrastructure. The regime has cleaned up corruption at customs

points, resulting in higher overall revenues than under previous governments. Much of the growth, however, depended on coal exports to Pakistan, which fell off in the second half of 2023 as tensions grew along the disputed border.

Islamabad accuses Kabul of harbouring the Tehreek-e-Taliban Pakistan (TTP), also known as the Pakistani Taliban, a militant group that swears allegiance to the Taliban. The Taliban deny hosting Pakistan's enemies, but the growing pace of TTP attacks close to the border triggered increasingly sharp protests from Islamabad. Pakistan's campaign to spur the Taliban to tougher action against the TTP escalated in November 2023, when Islamabad started carrying out mass deportation of Afghans to put further pressure on Kabul. Hundreds of thousands of people have been forced into Afghanistan, many of them homeless and destitute. The Taliban responded by arresting dozens of suspected TTP militants, but by themselves such gestures

are unlikely to appease Islamabad, especially if the number of TTP attacks keeps rising.

The humanitarian crisis sparked by large numbers of returnees represented the latest challenge in meeting the basic needs of Afghans in 2023. Pakistan is not the only country pushing out Afghans; Iran also expelled more than 600,000 people in 2023. Stagnant economic growth already spelled trouble for a fast-growing population, with an estimated 500,000 new job seekers annually, but the sudden influx of returnees, many of whom have been abroad for years, will make matters worse. Agriculture, the country's largest source of employment, has suffered from spells of drought and floods that have worsened in recent years as a result of climate change. Farmers also lost income after the Taliban banned the cultivation of plants used to make narcotics, particularly opium poppy, without providing alternative employment for rural labourers. Thousands of people were displaced by recent earthquakes.

A Roadmap to Stability

At \$3 billion, the 2024 UN humanitarian plan for Afghanistan is among the largest in the world, surpassed only by those for Syria (\$4.4 billion) and Ukraine (\$3.1 billion). Judging by the trends in 2023, however, pledges for Afghanistan seem likely to be disappointing in the coming year. Faced with competing priorities in allocating funds (Ukraine, Gaza) and frustrated by the Taliban's intransigence on girls' and women's rights, European donors, in particular, have been pulling back from the country, giving about half as much (\$457 million) bilateral and multilateral humanitarian aid in 2023 as in the previous year (\$975 million). Aid workers in Kabul complain that donors seek leverage over the Taliban by withholding assistance, contravening the humanitarian principle that aid not be held hostage to political considerations. The EU and its member states should generously contribute to the 2024 UN appeal for emergency aid and, in

the long term, shift to different funding mechanisms to wean the country off humanitarian aid, which by definition is not a solution to the country's crisis. Greater stability in Afghanistan would serve European security interests, as the vast human suffering in the country today increases the risks of militancy and mass economic migration.

A roadmap to Afghan self-sufficiency exists, but it needs better backing from European states and other major donors. In November, the UN Security Council received the much-anticipated report on international engagement with Afghanistan requested via Resolution 2679 (2023). Led by Special Coordinator Feridun Sinirlioğlu, a former Turkish foreign minister, the review assessed international engagement with Afghanistan and offered practical ways of breaking the impasse with the Taliban. The Council welcomed the report in December and encouraged all concerned to consider its ideas.

The coming months will be crucial for getting these adopted.

The Taliban are sceptical of the report's proposed path toward legitimacy inasmuch as it requires them to accept international norms on such things as the rights of women and minorities. Still, the report sets out pragmatic steps that European and other international actors should take – even if negotiations on the above issues with the Taliban remain moribund – for the sake of millions of lives and livelihoods in the country. This tack would not entail recognising the Taliban government. But it would mean easing restrictions on development and technical assistance to Taliban-controlled state institutions on topics such as public health; demining; counter-terrorism and security cooperation; agriculture and water management; and adaptation to climate change. The report also calls for restoring international financing for infrastructure projects started before 2021, and now nearly finished, and suggests that outside powers support rehabilitating Afghanistan's central bank. Sinirlioğlu also recommends that more embassies in Kabul reopen, gradually resuming diplomatic engagement.

The European Union hosted consultations for the UN review, and EU institutions are leaders among donors in several ways raised in the report: for example, the EU maintains a well-regarded diplomatic mission in Kabul even as most other Western embassies remain shuttered. As the report concludes, however, much more work is necessary to restore basic connections between Afghanistan and the outside world – and it should go on regardless of the political differences that are likely to persist between Kabul and foreign capitals. Afghans must be allowed to feed themselves, rather than depending on a dwindling supply of aid.

Helping the country achieve self-sufficiency will help Afghan women and girls. Some European donors, as part of a “principled approach” that EU member states reaffirmed in March 2023, are trimming aid to send a message to the regime that its discriminatory policies are unacceptable. But though such gestures often

reflect sincere beliefs among policymakers, they are counterproductive. First, the aid cuts worsen the humanitarian crisis, and plenty of empirical evidence shows that women and girls are disproportionately harmed in such emergencies, a pattern that is only more apparent in Afghanistan. Secondly, isolating the regime to protest its discriminatory policies has no coercive effect on the Taliban; on the contrary, their supporters seem thrilled that the regime is holding firm against the Western states that invaded their country. Finally, enshrining as the first “principle” that the Taliban get not a single euro means handcuffing the aid workers and development professionals whose own principles tend to put higher value on human life and avoiding poverty and disease.

Along with statements backing gender equality, European donors should offer more effective and sustainable development assistance that would better the lives of all Afghans, including women and girls. Doing so inevitably requires working with the de facto authorities to some extent. For example, the Ministry of Education remains the only entity offering girls' primary education at a large scale, even as the Taliban bar girls from higher levels of schooling. Nor is there any way of circumventing the Afghan state to provide electricity, which is essential for (among other things) online classes for girls and women. Similarly, water infrastructure cannot be built and maintained without the state – and such projects are desperately needed, not least by Afghan women whose main employment outside the home is agricultural.

Even with the best aid policy, however, Afghanistan will remain a major source of asylum seekers in Europe. First-time applicants for asylum in the EU are most commonly Syrians (15 per cent) but Afghans have been the second-biggest group for several years, accounting for almost 13 per cent of seekers in 2022. Alternatives are required to the existing informal system in which 3,000 to 5,000 Afghans cross into Iran each day, many of them trying to reach Europe on expensive and hazardous migrant

trials, and file their applications only after having arrived on European shores. The status quo disadvantages Afghan women, who are less likely to risk the journey despite guidance from the EU Agency for Asylum that women fleeing the Taliban's oppression should be eligible for refugee status. A useful precedent emerged in 2023 from the Council of the European Union's conclusions on Afghanistan, in which the EU pledged to use its on-the-ground presence in

Afghanistan to help with the "free and safe passage for Afghans who could be received by EU Member States". Fulfilling this commitment should mean that vulnerable Afghans can apply for EU asylum from inside of Afghanistan, without undertaking the perilous overland journey to Europe. Such procedures would be a safer, more effective way to shelter the Afghans who are worst affected by Taliban rule, including women, ethnic minorities and dissidents. ■

