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Preface

Iranian Foreign Minister Jawad Zarif came to Kabul last week. The visit is said to be aimed at strengthening relations between the two countries. In his meeting with the Afghan authorities, Zarif reiterated that Iran would cooperate with Afghanistan in areas of water management, transit, economy and development. But Iranian Minister of Foreign Affairs visited Afghanistan at a time when recently the Afghan Parliament accused Iran of providing aids to the Taliban, sending Afghans to Syrian war, creating obstacles in the way of constructing hydropower dams and some other interference in Afghanistan.

The Kabul-Tehran relations particularly in the past one and half decade; Iran's role in the Afghan issue; and the future relations between Kabul and Tehran are the issues that are analyzed in the first part of the Weekly Analysis of the Center for Strategic and Regional Studies (CSRS).

In the second part of the analysis, you would read about unemployment and poverty in Afghanistan. The World Bank and the Afghan government released a joint report last week which has assessed the situation of unemployment and poverty in Afghanistan in 2013 and 2014. The report shows that, the unemployment and poverty rate has increased in these years. But the reasons behind the increased unemployment and poverty rate and the way forward are the issues that are analyzed in the second part of the Weekly Analysis.

In the last part of the analysis, you would read the report about the CSRS's academic debate which discussed "changing regional geopolitics and its impacts on Afghanistan". The heads of three research centers delivered their speeches regarding this issue.



Iran's position in the Afghan foreign policy

Iranian Minister of Foreign Affairs Jawad Zarif visited Afghanistan in an official trip on 7 May 2017 and met the Afghan President Ashraf Ghani, the former Afghan President Hamid Karzai, Afghan Chief Executive Abdullah Abdullah and the Afghan Minister of Foreign Affairs Sallahuddin Rabbani.

The trip occurs at a time that, on the one hand, Iran is concerned about the ISIL activities in Afghanistan, Iran has established relations with the Taliban, the leader of Hezb-e-Islami Gulbuddin Hekmatyar has come to Kabul, and on the other hand, Iran is moving towards the (Russia, China and Pakistan) bloc and two weeks later Presidential elections will be held in Iran.

The position of Iran in the Afghan foreign policy, Afghanistan's position in the Iranian foreign policy and Iran's role in the current domestic politics of Afghanistan are issues that are analyzed here.

Kabul-Tehran ties

Due to the common language and culture and the invasion threats on behalf of Iran, this country have had particular importance in the Afghan foreign policy throughout the history. During the cold war, Afghanistan had close ties with Iran; Iran played the mediator role in Pak-Afghan relations and also influenced Afghanistan through its financial contributions. During the Afghan Jihad against Soviet Union, the communist Afghan governments were concerned about Iran's aids to the Afghan Mujahidin. During the civil war, Iran had severed relations with Austad Rabbani compared to the Shiite groups; but later when the Taliban appeared in the Afghan political scene, these relations were repaired.

After 2001, as during the cold war, Iran has had especial importance in the Afghan foreign policy; because enormous number of Afghan migrants is in Iran. Iran was an important player in the past wars in Afghanistan and is an alternative transit and trade way for Afghanistan.

After Ashraf Ghani came to power in Afghanistan, he introduced the five circle of Afghan foreign policy in the three of which Iran was included: neighbors, Islamic world and Asian countries. However, during the National Unity Government, relations with Iran were at low levels. The main reasons behind these severe relations were Iran's relations with the Taliban, Kabul's policy towards Iran and Saudi Arabia, the emergence of ISIL in Afghanistan and negotiations over the water-related issues.

Furthermore, in the past several decades, due to its security and economic interests, Iran has paid special attention to Afghanistan. However, Afghanistan and Iran were competitors in some of the economic projects (TAPI). Last year (2016), when Iran and the world's powers (5+1) came to an agreement over Iran's nuclear program, the sanctions on Iran were lifted and new opportunities were created for Iran; for instance, involvement in some major projects, foreigner's investments in Iran, and etc. Therefore, now hopes are increased regarding the Chabahar port, five-nation railway and extension of Iran's energy pipeline through Afghanistan to China.

Iran's current role in Afghanistan

After the formation of the NUG in Afghanistan, compared to Karzai's presidency, Iran's role in Afghanistan changed. During Karzai's government in Afghanistan, through maintaining relations with the Afghan government, and increasing its soft power through media, and providing scholarships for Afghan students and some other means and supporting Shiite groups in the government and elsewhere Iran was involved in Afghanistan. But now except for Iran's support from the Shiite groups in Afghanistan, Iran's position in Afghanistan is altered, which are indicated in the following lines:

The fear of ISIL; the emergence of ISIL in the Middle East was largely against Iran and Iran-affiliated groups. Therefore, due to its policy towards the "Middle East", Iran was engaged with ISIL in Iraq and Syria. Later, ISIL's emergence in Afghanistan and besides Sunnis, consecutively targeting Shiites by ISIL, Iran became concerned. These concerns were due to two following reasons:

First, ISIL targeted Iran's allies in Afghanistan;

Second, ISIL also threatened Iran from Afghanistan.

Relations with the Afghan Taliban; during the NUG, for the first time Iran officially expanded relations with the Taliban. A member of Taliban's political office in Qatar was invited to an Islamic Conference in Iran and later Taliban's former leader Mullah Akhtar Mansour traveled to Iran for several times. It was Taliban's close relations with Iran that eventually distanced it from Saudi Arabia. All of these indicate close relations between Tehran and Taliban's political office in Qatar. However, there are two main reasons behind the close relations between Iran and the Afghan Taliban;

First, the US's long-term presence in Afghanistan and its unclear policy in the region which has raised the concerns of the countries in the region.

Second, ISIL's emergence in Afghanistan and the existence of the conspiracy theories in this regard which suggest that the US and the Afghan government are behind it.

Involvement in regional politics; due to geopolitical changes in the region and during the NUG in Afghanistan, regarding the Afghan issue, Iran is moving towards Russia, China and Pakistan. This situation is unacceptable for the Afghan government, therefore, the Afghan government first criticized the first Moscow meeting and then in Jawad Zarif's recent visit to Kabul, Afghanistan reiterated that Afghanistan's stability should not be gambled in regional rivalry.

Cold relations with the Afghan government; during the NUG, the followings were the disputed points between Iran and the Afghan government:

First, starting negotiation over water-related issues. According to the Afghan government an agreement is previously singed in this regard, but Iran claimed that the previous agreement needs revision. It is yet unclear whether dialogue over the water issues will start or not, but yet it will decide the future bilateral relations.

Second, delay in signing the bilateral strategic agreement between Iran and Afghanistan. The two sides even have not introduced the committee to prepare the draft of this agreement.

Third, Afghan migrants in Iran: sending Afghan migrants to fight in Syrian war and their forced return to Afghanistan are also issues that affect the bilateral relations between the two countries. Currently there are around 3 million Afghan migrants in Iran.

Fourth, due to emergence of ISIL, Iran established relations with the Taliban rather than the Afghan government.

Jawad Zarif's trip to Iran and Kabul-Tehran future relations

During Zarif's visit to Kabul, the Afghan and Iranian side talked over issues that could influence the future relations between the two countries. But on the other hand, if the current Iranian President was replaced after the Presidential elections in the upcoming two weeks in Iran, this trip will not have profound impacts in Kabul-Tehran relations in some of the issues. In this trip, the Iranian side emphasized over the necessity to review the water-sharing agreement. Furthermore, the two sides demanded the formation of the committee for preparing the draft of the strategic agreement between the two countries.

The Afghan government cleared its stance regarding the recent developments and also pointed out the cooperation fields between the two countries. "Terrorist groups are our common enemy. We do not embrace terrorists nor do we use them as proxies," said President Ghani in his meeting with Zarif, "the current war in Afghanistan is not a civil war... we have undertaken serious measures against ISIL... Afghanistan's stability and the security of our borders are important for us... Afghanistan's stability should not be the victim of regional rivalries."

In order to increase cooperation between the two countries, the Afghan government demanded from Iran to give working licenses to Afghan workers; this way economic migration and smuggling will also be prevented. Iran could be linked with Uzbekistan and China through Afghanistan and there is room for cooperation in Chabahar port and border issues as well.

Overall, the future relations between Kabul and Tehran are related to the following issues:

First, whether or not the Afghan government conducts operations against ISIL and thus answers to the concerns of regional countries regarding the Afghan government being behind ISIL;

Second, Iran's relations with the Afghan Taliban;

Third, the future US policy towards Afghanistan and the region;

Fourth, the negotiations over disputed points (for instance the issue of water sharing).

Poverty and Unemployment in Afghanistan: The Two Main Challenges



The World Bank and the Afghan government have released a joint report about poverty and unemployment in 2013 and 2014. The report, released on 8 May 2017, shows that poverty and unemployment rates are increasing in Afghanistan. The report writes that in these years, 1.3 million new Afghans were added up to peoples living under poverty line and had less than \$1.25 income a day.

In this report, the number of unemployed people in Afghanistan in 2013 and 2014 is shown to be 1.9m people and indicates that unemployment in rural areas is twice as much as in cities. The report has stated that with the withdrawal of the foreign forces, international aids with Afghanistan were decreased and it was one of the main factors behind the rise of poverty and unemployment in the country.

The situation of poverty and unemployment in Afghanistan, its factors, and ways to tackle it are the issues that are analyzed here.

Poverty in Afghanistan

Poverty is a global phenomenon, and millions of people all over the world suffer from it. Most of the world's poor population lives in the African and South Asian countries. Afghanistan also suffers from poverty and is one of the countries where the income rate of their people is lower and, therefore, the poverty rate is higher in Afghanistan.

There is no exact statistics at hand about poverty in Afghanistan, but after the Soviet invasion, the poverty rate in the country has begun to rise. At that time many Afghans took refuge in neighboring countries and lost their business and assets.

After 2001, with the presence of international force in Afghanistan, millions of dollar were injected in the country, and as a result some sectors in the country began to develop. But according to the statistics of the World Bank, compared to the world poverty rate, the poverty rate in Afghanistan is remained stable and has not declined.

In 2007 and 2008, 36.3% of Afghanistan's population was living beneath the poverty line. But in 2011 and 2012, based on the World Bank's statistics, this percentage was dropped to 35.8% which is not a remarkable decrease. But the recent joint report of the World Bank and the Afghan government shows that the poverty rate was 35.8% and 39.1% in 2013 and 2014 which indicates an increase compared to the past.¹

In the joint report of the World Bank and the Afghan government, decreased international aids to the country, unemployment crisis, internal crisis and the expansion of the war in the country are listed to be the factor behind the poverty in Afghanistan. It is at a time that after 2014, the war in various regions in the country is intensified; the number of internally displaced people is unprecedentedly increased, hundred thousands of Afghan refugees have returned

¹ The world bank, <u>http://www.worldbank.org/en/news/press-release/2017/05/08/poverty-afghanistan-rose-amidst-troop-withdrawal-poverty-update-2017</u>

from other countries especially from Pakistan and Iran and, due to high rates of unemployment, tens of thousands of Afghan youth are forced to leave their country. Therefore, it seems that since 2013 and 2014, poverty has increased in the country.

Unemployment in Afghanistan

Unemployed is he who can work and is qualified, but there is no working opportunity for him/her. Unemployment is also one of the main challenges in Afghanistan which is directly linked to the security situation in the country. In the past one and a half decades, despite billions of dollars of international community's aid, no initiative for sustainable employment is undertaken in Afghanistan.

According to the Word Bank, in 2001, 4.5% of the Afghan labor force was unemployed. In 2002 and 2003, this percentage rose to respectively 4.6% and 4.9%. In 2004, the percentage of unemployed labor force dropped to 4.5%, but in 2005, once again, it rose to 8.5%, and after that, the unemployment rate has consistently increased. ²

In 2014, the Afghan Ministry of Labor, Social Affairs, Martyrs and Disabled announced that from 10 million labor force of Afghanistan, around 800 thousand were unemployed. ³ But the recent report of the World Bank shows that in 2013 and 2014, close to two million Afghans were unemployed, most of them were youth and women.

In the meanwhile, the Afghan Ministry of Economy has announced that poverty rate, which is directly related to unemployment, has decreased in the years after 2014 and with the economic growth of the country in 2015 and 2016, the poverty and unemployment rate has also decreased in the country. However, in its report, the World Bank has said that 400 thousand people are added to the Afghan labor force annually, and furthermore, since 2014 war is intensified and according to

² "Afghanistan in the past one and a half decade", CSRS's analytic and research report, page: 229, published in 1395.

³ Read more in this report of BBC:

http://www.bbc.com/persian/afghanistan/2014/05/140502_k05_afghan_worker_day_law

the recent report of SIGAR, the Taliban holds control over the 40% of the Afghanistan's territory and country's economic downturn has increased concerns about the rise of unemployment in the country.

Factors behind unemployment and poverty

Insecurity and the continuation of the war in the country and lack of investment in infrastructures, which can employ people, have faced Afghanistan with unemployment and poverty crisis. In addition, corruption, weak governance, the failure of the Afghan Ministries in spending their respective development budgets have resulted in the unemployment of hundreds of Afghan youth while tens of thousands of positions are empty in government administrations, or imaginary employees work there.

Moreover, after the withdrawal of the greater part of the foreign forces from Afghanistan, the international community's aids to Afghanistan are also decreased. Since billions of dollars of international community's aids were not properly used to create sustainable jobs in Afghanistan when these aids decreased the unemployment rate dramatically rose in the country. Tens of thousands of Afghans who were working with foreign forces and institutions also were added to the unemployed population of the country.

During these years, with the intensification of war and insecurity in the country, tens of thousands of families inside the country were obliged to leave their homes. The settlement of the internally displaced people in the cities is another factor behind the augmentation of unemployment in the country because most of them have lost their properties and their regular income sources.

Strategies to fight unemployment and poverty

The drop in the rates of unemployment and poverty requires sustainable employment opportunities which are directly linked with the industrial development in the country. While the industry is said to be the axes of the countries' economy and plays a key role in the economic growth of the countries as well as in decreasing the rate of unemployment and poverty, the Afghan government has not paid required attention to this sector.

In the meanwhile, Afghanistan is an agricultural country and agriculture plays a vital role in its economy. In 1394 (2015-2016) 40% of the Afghan labor force were busy in the agriculture sector. If the Afghan government provide transit facilities for the agricultural productions, find appropriate markets for these productions, undertake measures to improve the quality, process and packing of these productions, distribute fertilizers and improved seeds to the Afghan farmers, and support the domestic productions, the agriculture sector can play significant role in the country's economic growth and in the reduction of poverty and unemployment.

Overall, if a country has a good rate of economic growth, besides creating job opportunities and improving social welfare, it affects some other aspects such as security and peace, good governance, fight against corruption, and political stability. On other hand, as well as the other phenomenon in the country, the unemployment and poverty in the country are linked with the maintenance of peace in the country, and as long as the peace and security are not maintained in the country, efforts in fields of the economy would not have desiring outcomes.

Academic debate: regional geopolitical changes and its impacts on Afghanistan



Since the past several years, we have witnessed many geopolitical changes in the region and the world. Especially in our region, since the previous two years, it seems that, as during the cold war, the region is divided into two blocs; the difference being that this time instead of ideology, changing regional situation and diverse interests are the origins of the division. Apparently, the first bloc consists of the US and its allies and the other Russia and its partners.

Since Afghanistan is always deeply affected by the changing geopolitics in the region and has always been an important part of these changes, Center for Strategic and Regional Studies (CSRS) chose this issue as the topic of its academic debate program. The seminar was held on 10 May 2017 in the CSRS's office where tens of academic personalities had participated, and the heads of the three research centers delivered their speech regarding the issue.

The first speaker was the head of the Center for Conflict and Peace Studies (CAPS) Halimullah Kousari gave his speech about the background of the geopolitical changes in the region and the world and the current situation in the region.

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He said that in regards to the power distribution throughout the history there were four types of systems in the world (unipolar system, bipolar system, tri-polar system and multipolar system). For instance, before the Second World War, the political system in the world was multipolar, and the US, Japan, Germany, Italy and some other countries were dominant in world's politics. But after the second world War, during the cold war, the world was bipolar; the western bloc with the US in the center and the Eastern bloc with Russia in the center. Although, there was another bloc, the nonalignment countries, but since it had no important political and economic power, it was not considered important.

He said that the term "cold war" was first used in 1945 by a British writer "George Orwell" and a significant particularity of cold war is that parties do not engage in direct conflict with each other, and the rival countries try to defeat the enemy by third countries a fine example of which is Afghanistan's war against Soviet Union, which collapsed following its defeat in Afghanistan and hence the cold war ended.

Regarding the current geopolitical situation of the region, Kousari said: currently another particular war (hybrid war) is about to erupt in the region and since the US has a military presence in the region, it will be the primary player in this war. He said that one characteristic of such wars was that the powerful countries will use any possible method to suppress their enemies. For instance, although Russia and the Taliban have conflicting interests, but in order to achieve its goals, Russia is currently establishing relations with the Taliban.

He added that despite the existence of its bases in Arab countries, the US does not really need a military presence in these countries, but the presence of their soldiers in Afghanistan was important for the Americans. In 2001, the countries in the region such as Iran, Russia, China and some other countries backed the US invasion of Afghanistan because they did not want the Taliban regime in Afghanistan and these countries were not active in Afghanistan at the time. However, after 2001 these countries increased their role in Afghanistan and now they are making efforts to evict the US from the region.

He said that after the emergence of the ISIL, the countries in the region have come to a conclusion that the US presence in the region not only has not suppressed "terrorism" but also have promoted it. One important country in the region (China), in order to apply its "one-built, one-road" project, presumes Afghanistan's security as significant and is concerned that the US presence in the region would create challenges for its economic schemes in the region.

The second speaker in the meeting, head of Regional Studies Center of Afghanistan (RSCA) Rafiaullah Niazi spoke about the impacts of the current and future geopolitical changes on political, economic and security situation in the country. He said that in terms of geopolitics, our region is profoundly affected and many phenomenon has come to the region from Middle East, Central Asia, and South Asia; but in Afghanistan, its two neighboring countries are most influential.

He said that Pakistan pursued four objectives in Afghanistan: 1- Forming a pro-Pakistani Government in Afghanistan. 2- Eradicating Indian influence in Afghanistan (control over the foreign policy of Afghanistan). 3- Turning Afghanistan into a market for the Pakistani goods. 4-Eliminating Afghan nationalism. He also added that currently Pakistan believed that its interests were in danger and besides the US, it is also allied with Russia and China, the recent trilateral meeting in Moscow is a good example of its relations with Russia and China. In addition, another factor behind insecurity is the issue of water.

Niazi further added that Pakistan, China, Russia, and Iran in one bloc and the US, India and Afghanistan in the other bloc could have broad consequences for the country. In terms of security, all these countries are involved in Afghanistan and in terms of economy for instance Afghanistan would suffer losses in the areas of transit. But in the meanwhile, the Afghan government needs the US for its huge expenditures and has got no other way.

Niazi stated that both in the past and now Afghanistan does not have specified foreign policy lines nor has it defined national interests, nor has it maintained balance in its relations with the countries in the region (Iran-Saudi Arabia) and (Pakistan-India), these changes could have profound effects.

The third speaker was head of the Center for Strategic and Regional Studies (CSRS) Dr. Abdul Baqi Amin who delivered his speech regarding what Afghanistan should do in the current regional geopolitical situation. Amin said that

Afghanistan could not only save itself from the negative consequences of the geopolitical changes in the region but also could benefit from it, but to do so requires a coordinated powerful central government in Afghanistan. He said that in the current situations, the government must weaken the power groups in the country and even eliminate them and positively benefit the regional rivalries.

In his speech, Mr. Amin emphasized that in such circumstances, research centers could provide the government with guidance and consult based on their studies and analysis and as their national responsibility, these center must pay attention to this point.

At the end of the meeting, the participators asked questions regarding the issue, and the topic was further discussed.

The end

