

In the Name of God, the Most Merciful, the Most Kind

Daily Outlook  
AFGHANISTAN  
The Leading Independent Newspaper

August 04, 2019

## Illegal Mining Looms Large

The militant fighters, mainly the Taliban, have stepped up their efforts for engaging in illegal mining to keep the machine of war running. Their involvement in illegal mining and smuggling Afghanistan's precious stone outside the country is a great cause for concern.

Whenever the Taliban militants suffer from lack of financing and economic challenges, they resort to illegal activities such as illegal mining and establishing checkpoints on the roads and highways in restive provinces to collect taxes from truck drivers. They also force local farmers to pay taxes to them, which will support the militants economically but will put an adverse effect on local economy.

The militants, including the Taliban, target staff of ministry of mines and petroleum simply to restrict the government's activities in mining. For example, the Taliban carried out a suicide attack on employees of ministry of mines and petroleum in March 2017, which killed 38 people, mostly employees, and wounded dozens more.

Last month, a suicide bomber blew himself near a minibus carrying employees of the ministry of mines and petroleum, killing five women and a child. The self-styled Islamic State claimed responsibility for the attack.

The two attacks targeting employees of the ministry of mines and petroleum are indicative of the militants' involvement in illegal mining. Mining workers are also being killed by militants in some provinces.

Afghan businessmen claim the price of Afghan lapis lazuli has dropped tremendously in local markets in the wake of being mined illegally.

In its 2016 report, Global Witness, an international media monitoring organization, claimed that a number of people, including tribal elders and political figures, were involved in illegal extraction of lapis lazuli. Its statistics showed that over 20 tons of lapis lazuli had been extracted from deposits in Keran Wa Manjan district of Badakhshan each day. And during this period, over 7,500 tons of lapis lazuli worth \$125 million had been smuggled outside Afghanistan.

The figures also showed that from the amount, \$20 million went to the account of illegal armed groups.

Meanwhile, the Taliban have increased the number of their checkpoints on roads in restive provinces to collect taxes.

If this trend continues, the Taliban militants are unlikely to lay down their arms. The militants seem to make lucrative business through the barrel of gun. That is, they are running Mafia-like businesses simply to earn money for their self-interests. A large number of militants, who are involved in such illegal profit-making activities, do not care about ideology. They kill individuals to make money.

Rumors say every once in a while that Mafia members are also involved in the conflict in Afghanistan. They work in tandem with the Taliban in smuggling Afghanistan's precious stones and narcotic drug to continue their business. Hence, a peaceful Afghanistan, where law holds strong sway, will pose serious threat to their interests.

It should be noted that targeting mine workers or employees of the ministry of mines and petroleum will be the worst possible message to domestic and foreign investors.

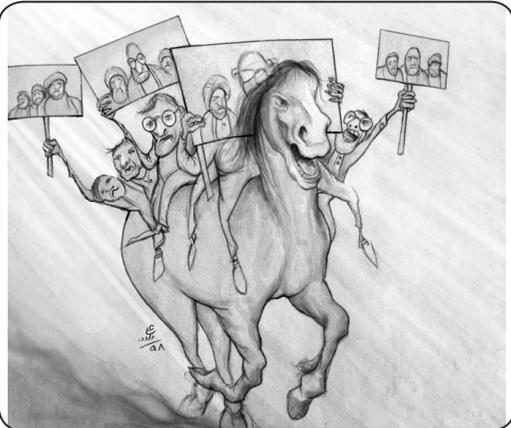
To mitigate militancy, the government has to cut the financial support of the militants through preserving the country's mineral resources and precious stones. In other words, the government should put economic pressure on the militants. It has to secure the deposits and ensure the security of mine workers.

The government should intensify its attacks against the militants' checkpoints, which can be easily targeted by airstrikes. Indeed, if this trend continues, the militants will grow stronger. On the contrary, locals and farmers, who pay taxes to the Taliban under duress, will suffer from abject poverty. Hence, they expect the government to lift the burden of illegal taxes from their shoulder.

The government should take reports about illegal mining very serious and prosecute the local perpetrators. In the past, Afghan MPs also claimed that some local strongmen had been involved in illegal mining, but no serious action was taken. It is believed that if locals do not support the illegal miners, illegal mining would not take place to such a large extent.

In addition to keeping the machine of war running, illegal mining will also put a highly adverse effect on the country's economy. It will reduce the price of Afghanistan's precious stones, decrease the sources, and pave the ground for lawlessness.

It is highly regrettable to see that Afghanistan is in the grip of poverty, but its mineral resources are extracted illegally and smuggled. Worst of all, the money coming from the illegal mining is used against the country and nation. Thus, a strong measure must be taken in a very near future to stop illegal mining, which will necessarily lead to the financial recession of the militant fighters.



## What are the Failing Factors of Democracy in Afghanistan?

By: Mohammad Zahir Akbari

Afghanistan has experienced many political systems including democracy, Kingdoms, Talibanism, autocracy and so on but none succeeded to change the destiny of Afghan people. Among these, the new democratic system was exceptionally welcomed by most Afghan people hoping to end the long destructive conflicts and social disorders in the country. Afghan citizens eagerly wanted move towards peace, prosperity and an efficient democratic system, but now after nearly two decades of hopes and optimism everyone is disappointed about its functionality as well. In fact, people are not only hopeless but extremely abhorrent and tired of long-term war and imposed conflicts. People expected to reach some of their dreams through implementation of democratic values, it also thought to be vacuous.

Undoubtedly democracy is the most important factor in stabilization and development of post-conflict countries, but it has not produced a good result in Afghanistan. Questions are raised whether the soil of Afghanistan is conducive to the tree of democracy or it has not planted properly? What are the differences between Afghan democracy and other democracy in the world, especially the democracy of post-conflict countries which has produced wonderful results? Whatever is the difference is the current system could not rescue Afghanistan; if the current system were successful, the two decades time was not a short period. Therefore, it is logical to doubt about function or dysfunction of this system in the context of Afghanistan.

According to political analysts, there is nothing wrong with democracy on condition that we factually apply it on the country. The main feature of democratic system is gain of power through transparent elections, but this has not happened in Afghanistan. Other feature of democracy is meaningful role of people, especially political party in sharing power but it did not happen as it experienced in other countries. In addition, meritocracy, free and positive competition is of the important feature of democracy but we stuck in our own ethnical affiliations. In fact, we never tried democracy, but we only showed some democratic acts with imposing our own childish emotions. As a result, it is obvious that we cannot collect the harvest of what we never truly cultivated.

As pointed out, one of the main factors which failed democracy in Afghanistan is the absence of true political party. The relation between democracy and political party is likened to two wings of a bird or termed as backbone of democracy. No bird can fly without two wings and no democracy can succeed without active political parties. Therefore, democracy is meaningless without meaningful and positive completion of political parties in productions of effective plan and theories. Even in developed Western countries, if people are left on their own without political parties and powerful civil society then political anomalies and inefficiencies of state institutions will quickly emerge.

However, Afghanistan has more than 50 officially registered political

parties and numerous movements occupying its political landscape, but political parties must be defined on the basis of modern criteria, the ethnic leaders cannot take the place of parties because they follow a certain ideology that defines their own political, economic, and cultural interests. In Afghanistan, the lack of active political parties and civil society has ensured the survival of ethnic leaders as voting bank. On the other hand, holding elections in the absence of political parties powerful and dynamic civil society changed to an on the spot deal between the political elites and people.

Political parties are supposed to be domestic agents that shape and reflect the political will of people but in Afghanistan due to lack of principle based political parties, they only paved the way for the ethnic leaders to use the ethnicity as a tool of following their personal interests. In order to consolidate a modern political party on the basis of democratic criteria, it is necessary to hold internal election and develop an appropriate political culture raising the general awareness of society members and improving the economic situation so that people may not be compelled to sell their political destiny versus little money. Meanwhile, there is need for an ethical and political commitment of the people with the fate of their society. People are repeatedly dissatisfied from political leaders, but during the election campaign they are easily deceived and forget about the past; in this way the past is frequently repeated.

Some political parties with leadership of the ethnic leaders try to invent enemies, so as to continue their games. In order to strengthen their political weight, they try to introduce other tribes as a common enemy to their respective tribe and this way they can define their political position by raising people's sentiments. It can be said that ethnic the leaders and voting banks are some of obstacles to institutionalization of democracy in the country. Political parties and powerful civil society will emerge when the level of political consciousness and awareness of the people rise, and this will only be achieved through the inclusive education and media awareness

Moreover, democracy is defined as rule of people on people but in Afghanistan people are not truly present in political arena. In fact, people neither are aware of their role and nor believe in their role in forming governmental system and political decision making process. Because of poverty and engagement with basic requirements, Afghans do not seem to find chance to think about their secondary needs as participation in political process. Conversely, economic growth causes social classifications motivating them to contribute in political process for their own interests. In the last elections, there were hundreds of cases that people had voted for the sake of money. Therefore, democracy will not grow in Afghanistan unless truly prepare the bed for its materialization.

Mohammad Zahir Akbari is the permanent writer of the Daily Outlook Afghanistan. He can be reached at mohammadzahirakbari@gmail.com

## Don't Squander the Techno-Revolution

By: Christopher Pissarides and Jacques Bughin

Public discussion of the effects of automation and artificial intelligence (AI) often focuses on the productivity benefits for companies and the economy, on the one hand, and on the potential downside for workers, on the other. Yet there is a critical third dimension that should not be overlooked: the impact of new technologies on wellbeing.

Historically, technological innovation has had positive effects on wellbeing extending far beyond what is captured by standard economic metrics such as GDP. Vaccinations, new pharmaceuticals, and medical innovations such as X-rays and MRIs have vastly improved human health and increased longevity. Today, even countries with the world's lowest life expectancies have longer average lifespans than did the countries with the highest life expectancies in 1800. Moreover, around one-third of the productivity gains from new technologies over the past century has been converted into reduced working hours, in the form of longer annual paid leave and a near-halving of the workweek in some advanced economies.

Now that a new generation of technologies is being adopted, the question is whether similar benefits to wellbeing will follow, or whether fears of technological unemployment will create new sources of stress, undercutting consumer confidence and spending.

In seeking to answer such questions, one should focus on two decisive factors. The first is the potential of innovation to improve welfare. AI, in particular, could increase people's quality of life substantially, by raising productivity, spawning new products and services, and opening up new markets. McKinsey & Company's research on the current digital transformation finds that AI applications are already doing precisely that, and will continue to do so.

Moreover, the firms that deploy AI for the purpose of driving innovation, rather than for labor substitution and cost cutting, are likely to be the most successful; as they expand, they will hire new workers. In health care, for example, AI has empowered providers to offer better and earlier diagnoses of life-threatening diseases such as cancer, as well as personalized treatments.

The second decisive factor is the approach taken by companies and governments to managing the arrival of new technologies. AI raises important ethical questions, particularly in areas such as genomics and the use of personal data, and the need to gain the new skills needed to operate smart machines can cause stress and dissatisfaction. The migration of workers across sectors can be a source of significant friction, exacerbated by sectoral mismatches, mobility constraints, and the costs (temporal and financial) of retraining. Critically, the labor-market frictions created by today's frontier technologies may affect segments of the population that were immune to

such risks in the past. To avoid major disruptions, policymakers should focus on providing large-scale retraining, to equip workers with "robot-proof" skills and ensure labor-market fluidity. By directing the deployment of new technologies toward welfare-improving innovation, and by managing the labor-market effects of technological diffusion, we can boost not just productivity and incomes, but also lifespans, which itself may feed back into higher GDP. Calculating the likely effects of welfare-enhancing innovation is a complex process. In our own assessment, we have built on methods of welfare quantification developed by economists Charles Jones and Peter Klenow of Stanford University, as well as others in the growing field of happiness research. Using a schematic constant risk-aversion model as a benchmark, we find that the United States and Europe could experience welfare gains from AI and other frontier technologies that exceed those delivered by computers and earlier forms of automation in recent decades. On the other hand, if the technological transition is not managed properly, the US and Europe could experience slower income growth, increased inequality and unemployment, and reductions in leisure, health, and longevity.

One revealing finding of our research is that the threat to incomes and employment is present in all likely scenarios, which means that it cannot be dismissed or ignored. If the foreseeable adverse effects of shifting to an automated knowledge economy are not addressed, many of the potential benefits could be squandered. Policymakers should be preparing for a retraining effort on the scale of the 1944 GI Bill in the US.

Among other things, governments today have a critical role to play in providing education and redesigning curricula to emphasize technical skills and digital literacy. They can also use public spending to reduce innovation costs for business, and to direct technological development toward productive ends through procurement and open markets.

But business leaders must also rise to the challenge. If companies adopt an approach of enlightened self-interest with respect to AI and automation - what we call "technological social responsibility" - they can deliver benefits both for society and their own bottom lines. More productive workers, after all, can be paid higher wages, thereby boosting demand for products and services. To capture the far-reaching benefits of digital technologies, AI, and automation, we will need to strike a careful balance, fostering both innovation and the skills to harness whatever it unleashes.

Christopher Pissarides is a Nobel laureate economist and Regius Professor of Economics at the London School of Economics. Jacques Bughin is a director of the McKinsey Global Institute and a McKinsey senior partner based in Brussels.

Daily Outlook  
AFGHANISTAN  
The Leading Independent Newspaper

Chairman / Editor-in-Chief: Moh. Reza Huwaida  
Vice Chairman / Exec. Editor: Moh. Sakhi Rezaie  
Email: outlookafghanistan@gmail.com  
Phone: 0093 (799) 005019/777-005019  
www.outlookafghanistan.net

افغانستان  
The Daily Afghanistan Ma

The views and opinions expressed in the articles are those of the authors and do not reflect the views or opinions of the Daily Outlook Afghanistan.