

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



December 08, 2016

Pessimism about the Role of Government

As the Afghan government has not been able to deliver much as far as major political and social problems in the country are concerned, people are becoming more pessimistic and they are losing confidence from the role of the government.

A survey conducted by Asia Foundation about the Afghan attitudes and opinions was released on Wednesday, December 07, 2016. The report showed that growing insecurity, corruption, rising unemployment and slow job growth have caused more pessimism among Afghans about their future, and resulted in damaging public confidence in the government.

The survey is very comprehensive and polled 12,658 respondents from 16 ethnic groups across all 34 provinces, including insecure environments. The report found that the falling sense of optimism largely stems from the failure of peace talks with the Taliban earlier this year, new incursions and record civilian casualties. It also found that only 29.3% of Afghans say the country is moving in the right direction, the lowest level of optimism since 2004. And, 69.8% of Afghans are afraid for their personal safety. And the respondents have said that the biggest problem facing youth is unemployment, 71.2%, and more than half (51.5%) cite unemployment as a reason they would leave the country if given the opportunity. The survey clearly shows that there are many fronts where Afghan government has not been able to deliver properly and the people face difficulties and problems; therefore, they are becoming more and more skeptical about the performance of the government.

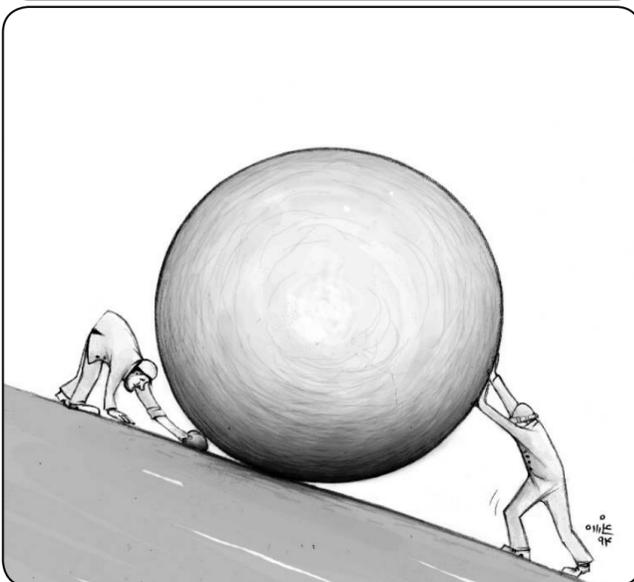
As far as the security of the country is concerned, a lot of work needs to be done. Since the international security forces have withdrawn and the responsibilities of security are on the shoulders of Afghan forces, they have faced serious challenges to keep the country secure. Insofar as the capacity of Afghan forces to guarantee secure life for Afghan people, there are grey patches. Unless there are speedy development in the capacity building, training and professionalism of Afghan forces, the eyebrows will remain tense and the prevailing conditions may thrive.

Further, the political reconciliation with Taliban that is expected to find out some political solution to the issues in the country in order to lead to peace is also suffering from lack of clarity and commitment. There are reports that suggest that talks have restarted between Afghan authorities and Taliban leadership in Qatar, however, such reports have made headlines on various occasions but that have never resulted in fruitful outcomes. On the other hand new Taliban leadership has not shown readiness for the peace process. In addition, the factions existing within Taliban also differ in their views regarding any peace deal and this makes the process difficult by introducing the intricacy as to whether which faction should be considered as the true representative to Taliban, and what should be done with the other factions who opt to go against any sort of peace process.

Then there is the issue of corruption. In fact, most of the support and assistance that have been provided to Afghanistan for its development and betterment have been gulped by corruption. Many of the other issues that Afghanistan face are directly linked with this issue; as a matter of fact, they are the outcome of this serious problem. Corruption has incapacitated Afghan institutions, denied development to different sectors and disheartened those who have the potential and the skills to bring about positive changes.

The incapacity of the Afghan government to provide good governance is another matter of great concern. Good governance relates to the conduct of the public institutions regarding the public affairs in such a way so as to guarantee wellbeing, prosperity and definitely human rights. But instead our public institutions have been dominated by incapacity and dormancy. These institutions have been further adding to the troubles of the common people instead of solving their problems. They have been vehemently dominated by the individuals in authority. The institutionalization process has been very weak and institutions serve the authoritative people on the top of bureaucratic hierarchy.

The real purpose of a democratic system is to reach to the common people of the society and provide them facilities on their door steps. Further, the so called democratic system in our country has not been able to represent the people of Afghanistan as a whole. The diverse Afghan society has not been able to be compensated in the system that has been trying to keep the central government stronger. The political system, wherein more authority should be given to the provinces, can provide better representation to all the ethnic groups in the country and can favor the general will but such a setup has not been appreciated the way it should have been. Even the key institutions like legislature, judiciary and executive have not risen to the task. They, instead of serving the country, seem to be fanning the flames of controversies. The government that should be the leading force towards a democratic setup, itself seems to be running after authority, not democratic principles. The parliament, which represents the elected members, is not given its due authority. In order to address the socio-political and security concerns appropriately and develop its legitimacy and acceptance, there has to be immense efforts made on the part of government and other authoritative institutions in the country. Above all, this effort should be directed towards the wellbeing of all the people of Afghanistan.



The Controversy over Ghani's Rhetoric

By Hujjatullah Zia

Terrorism is a global scourge and a serious threat to Afghanistan and Pakistan. Militancy continues unabated and has sacrificed thousands of life within the two last years. The National Unity Government (NUG) encountered with two radical leaders of the Taliban: Mullah Akhtar Mansour, who was killed in May in Pakistan's soil, and his successor who orchestrated deadly attacks from across the border. With mounting insurgency in Afghanistan, the officials spoke frankly about Taliban's safe haven at national and international conferences not to show a hostile attitude but prompt Pakistan to strengthen the counter-insurgency.

At the Heart of Asia Conference in the northern Indian city of Amritsar, President Muhammad Ashraf Ghani said Taliban insurgency would not survive a month if it lost its sanctuary in neighboring Pakistan, urging it to take on militant groups on its soil instead of giving Kabul financial aid. According to him, last year, Afghanistan suffered the highest number of civilian casualties and military related deaths in the world, and aimed at getting regional players together to help stabilize the country.

Ghani's direct words and negative answer to Pakistan's financial aid provoked a sense of anger among Pakistan's political pundits and Pakistani newspapers are replete with words of sarcasm about Ghani. Unlike the former president, Ghani is very frank and direct - he speaks outspokenly. Moreover, his attitude towards the Taliban is serious and hostile and does not call them "discontented brothers". He will not release the Taliban prisoners, as Karzai did, as a precondition for peace talks since the Taliban are not seeking peace genuinely.

Following the withdrawal of US army and the reduction of its military role into advisory one in 2014, Afghan soldiers shouldered a heavy responsibility and encountered with unmitigated militancy. In other words, the NUG inherited a total destruction in social, political and economic arenas. Similarly, the Taliban remained the sworn enemy of Afghanistan and carried out heavy offensives under Mansour and lately under their radical leader Mullah Haibatullah Akhundzada - who plays more destructive role. Ghani did not follow Karzai's footsteps regarding peace such as traveling to Pakistan twenty times without a tangible result or releasing the Taliban's prisoners. He left two choices for the Taliban: Fire or ceasefire. He called all warring parties, mainly the Taliban, to come to negotiating table and asked Pakistan to play its role honestly in terms of bringing peace in the country. Pakistani officials vowed to nudge the Taliban to peace table and hosted a talk between the Afghan government and Taliban representatives at the popu-

lar tourist resort of Murree in July 2015. Sadly, this was proved abortive following the revelation of Omar's death. To resume peace talks, Afghanistan, Pakistan, China and the United States held second round of talks in Kabul on January 18, 2016 and called the Taliban again to stop violence and bloodshed and join the peace process - it did not give the desired fruit either.

Despite all tireless efforts by Afghan government, the Taliban refused to hold talks and Afghan officials believed that Pakistan did not show tendency in a peaceful Afghanistan. Tension aroused between Kabul and Islamabad which ensued by strong rhetoric. The relations fluctuated based on Afghanistan's security situation. The relation was at a low ebb when Ghani spoke with strong tone at NATO Summit in Warsaw stating, "Our regional initiatives with neighbors are beginning to yield significant cooperative dividends. The exception is with Pakistan - despite clear commitments to a quadrilateral peace process; their dangerous distinction between good and bad terrorists is being maintained in practice".

Ghani's strong tone in Warsaw and Amritsar aroused the anger of Pakistani political analysts. Being hurtful or not, being frank is one's good characteristic and no one is supposed to bash a person for being outspoken. Moreover, he has the authority whether to accept or reject a country's aid and there is no issue of hostility.

He said that Pakistan had better use that in combating terrorism - is it really hurtful?

Additionally, cultivating a friendly relation with any other country does not necessarily mean to adopt a hostile relation with Pakistan, as it has been interpreted so, and vice versa. It will put a country's independence under question to be told to have or dismantle its relation with a particular country. Afghanistan is in pursuit of regional support to counter insurgency more effectively. Pakistani officials have constantly claimed to seek sustainable peace and stability in Afghanistan - which will be pivotal to the region - and stated that resuming peace talks will be an effective mechanism. However, the hope for a fruitful talk has been shattered due to repeated cul-de-sac. In a nutshell, the trust issue between Kabul and Islamabad widens the gap rather than bridging it. It is believed that if Pakistani officials can persuade the Taliban to hold direct talks with Kabul genuinely, Afghanistan is always ready to accept it as the door for negotiation is open for years.

Furthermore, the Taliban will have to stop violence and bloodshed for paving the ground for peace and gaining the trust of Afghan government. If the Taliban persists on continuing violence, the second option, military deal, will be *Hujjatullah Zia is the permanent writer of the Daily Outlook Afghanistan. He can be reached at zia_hujjat@yahoo.com*

The Trump Boom?

By Kenneth Rogoff

After years of hibernation, will the US economy rouse itself for a big comeback over the next couple of years? With an incoming Republican administration hell-bent on reflating an economy already near full employment, and with promised trade restrictions driving up the price of import-competing goods, and with central-bank independence likely to come under attack, higher inflation - likely exceeding 3% at times - is a near-certainty. And output growth could surprise as well, possibly reaching 4%, at least temporarily.

Impossible you say? Not at all. The economy already seems to be growing at a 3% annual clip. And even steadfast opponents of President-elect Trump's economic policies would have to admit they are staunchly pro-business (with the notable exception of trade). Consider regulation. Under President Barack Obama, labor regulation expanded significantly, not to mention the dramatic increase in environmental legislation. And that is not even counting the huge shadow Obamacare casts on the health-care system, which alone accounts for 17% of the economy. I am certainly not saying that repealing Obama-era regulation will improve the average American's wellbeing. Far from it. But businesses will be ecstatic, maybe enough to start really investing again. The boost to confidence is already palpable.

Then there is the prospect of a massive stimulus, featuring a huge expansion of badly needed infrastructure spending. (Trump will presumably bulldoze Congressional opposition to higher deficits.) Ever since the 2008 financial crisis, economists across the political spectrum have argued for taking advantage of ultra-low interest rates to finance productive infrastructure investment, even at the cost of higher debt. High-return projects pay for themselves.

Far more controversial is Trump's plan for a massive across-the-board income-tax cut that disproportionately benefits the rich. True, putting cash in the pockets of rich savers hardly seems as effective as giving cash to poor people who live hand to mouth. Trump's opponent, Hillary Clinton, memorably spoke of "Trumped-up trickle-down economics." But, Trumped-up or not, tax cuts can be very good for business confidence. It is hard to know just how much extra debt Trump's stimulus program will add, but estimates of \$5 trillion over ten years - a 25% increase - seem sober. Many left-wing economics commentators, having insisted for eight

years under Obama that there is never any risk to US borrowing, now warn that greater borrowing by the Trump administration will pave the road to financial Armageddon. Their hypocrisy is breathtaking, even if they are now closer to being right. Exactly how much Trump's policies will raise output and inflation is hard to know. The closer the US economy is to full capacity, the more inflation there will be. If US productivity really has collapsed as much as many scholars believe, additional stimulus is likely to raise prices a lot more than output; demand will not induce new supply.

On the other hand, if the US economy really does have massive quantities of underutilized and unemployed resources, the effect of Trump's policies on growth could be considerable. In Keynesian jargon, there is still a large multiplier on fiscal policy. It is easy to forget the biggest missing piece of the global recovery is business investment, and if it starts kicking in finally, both output and productivity could begin to rise very sharply.

Those who are deeply wedded to the idea of "secular stagnation" would say high growth under Trump is well-nigh impossible. But if one believes, as I do, that the slow growth of the last eight years was mainly due to the overhang of debt and fear from the 2008 crisis, then it is not so hard to believe that normalization could be much closer than we realize. After all, so far virtually every financial crisis has eventually come to an end.

Of course, all of this is an optimistic spin on a Trump economy. If the new administration proves erratic and incompetent (a real possibility), dejection will quickly overwhelm confidence. But beware of pundits who are certain that Trump will bring economic catastrophe. On election eve, New York Times columnist Paul Krugman unequivocally insisted that a Trump victory would lead to a stock-market collapse, with no recovery in sight. Investors who relied on his insights lost a lot of money. At the risk of hyperbole, it's wise to remember that you don't have to be a nice guy to get the economy going. In many ways, Germany was as successful as America at using stimulus to lift the economy out of the Great Depression. Yes, it still could all end very badly. The world is a risky place. If global growth collapses, US growth could suffer severely. Still, it is far more likely that after years of slow recovery, the US economy might at last be ready to move significantly faster, at least for a while. (Courtesy Project Syndicate)

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