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

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Highlighting Key Issues

It is of immense importance for Afghanistan that it should highlight its key issues and make efforts in the right directions. Ambiguity and uncertainty in the ranks of high officials and leaderships regarding the actual problems would not help the country at all. It is imperative to point out the top priority matters and then design strategy to deal with them. Unfortunately, that does not seem to be the case in our country. The leadership, itself, is lost in uncertainties and if there are some issues that they think are important, they do not see eye to eye with one another regarding their details and their solution.

Currently, some of the issues that seem urgent and that require special attention are the deteriorating security situation, the doubtful reconciliation process with Taliban, increasing corruption and challenging governance issues. Afghan leadership needs to prioritize these issues, build a consensus on them and design a proper strategy to deal with them; otherwise, it would be very difficult for the country to go through the prevailing instability and uncertainty with success.

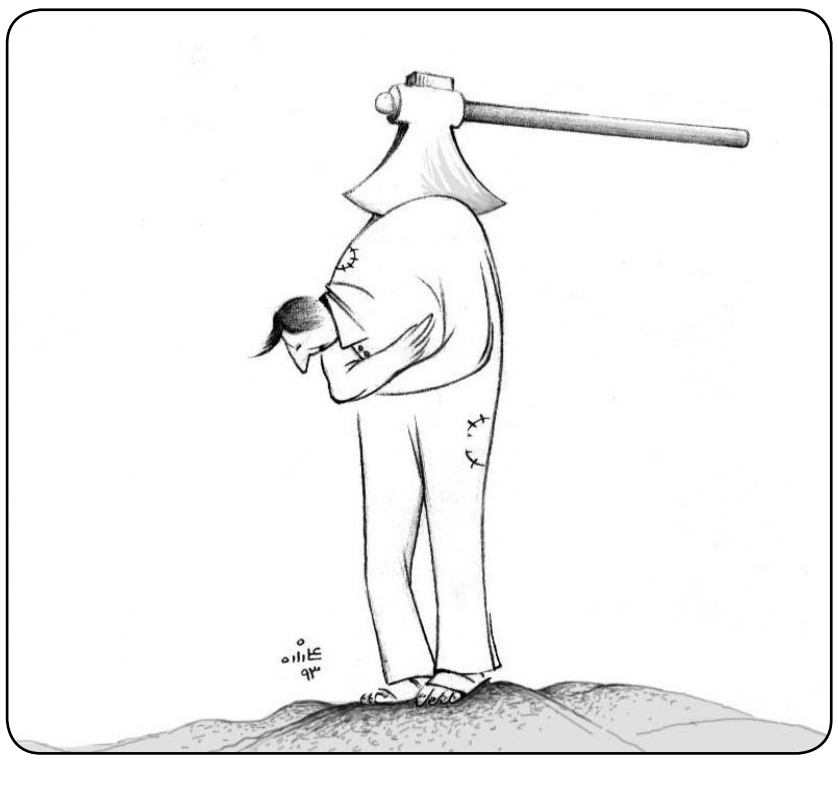
As far as the security of the country is concerned, there have been many improvements but a lot of work still needs to be done. Since the international security forces have withdrawn and the responsibilities of security are on the shoulders of Afghan forces, they have faced serious challenges to keep the country secure. Insofar as the capacity of Afghan forces to guarantee security of the 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 dishearten 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 well being, 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 doorsteps. 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.

The impact of international assistance will remain limited unless donors, particularly the largest, the U.S., stop subordinating programming to counter-insurgency objectives, devise better mechanisms to monitor implementation, adequately address corruption and wastage of aid funds. In order to address the socio-political and security concerns appropriately there has to be immense effort 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.



Demographics and Development

By Mahmoud Mohieldin

Achieving the ambitious Sustainable Development Goals – which aim to end poverty, boost shared prosperity, and promote sustainability, between now and 2030 – will require overcoming some major obstacles, ranging from securing enough financing to addressing climate change to managing macroeconomic shocks. But there is one potential obstacle that could turn out to be a blessing in disguise: the diverse demographic shifts that will take place in the coming years.

By the time the SDG agenda reaches its end date, there will be an estimated 8.5 billion people worldwide. Twenty years later – just 34 years from now – there will be nearly ten billion, or nearly 2.5 billion more people than there are on Earth today. What will such a world look like? Where will those additional people live? How will they make their living? Will they bolster or weigh down national economies?

For clues, we can look 35 years in the past, to the early 1980s. US President Ronald Reagan, Chinese leader Deng Xiaoping, British Prime Minister Margaret Thatcher, French President François Mitterrand, and Soviet President Mikhail Gorbachev dominated the world's headlines. Personal computer sales were miniscule. And children competed over Rubik's cubes, rather than augmented-reality Pokémon.

At that time, the world's population was about 4.5 billion, 42% of whom – almost two billion – lived in extreme poverty. Excessive population growth, it was feared, would outpace agricultural production and create yet more poverty.

Yet the Malthusian predictions were wrong. Although the world population has surged to 7.5 billion, only about 750 million people – just 10% of the total population – live in extreme poverty today. China and India, in particular, lifted hundreds of millions out of poverty in recent decades, increasing their citizens' incomes and improving their health.

China and India achieved this partly by strengthening institutions and pursuing policies that supported strong, relatively inclusive growth. China, for its part, also took advantage of a "demographic dividend": fertility rates fell, and the labor force grew faster than the dependent population, freeing up resources to invest in people and capital. This produced higher growth and living standards.

Such a dividend can run for decades. And, for China, it has, though it is now reaching its conclusion. For India and other developing countries, however, the demographic dividend is just starting to be felt. In fact, fully 90% of global poverty is concentrated in countries with growing working-age populations, creating an important opportunity for rapid poverty reduction in the coming decades.

For example, in Sub-Saharan Africa, which is currently plagued with high levels of extreme poverty, children under 15 years of age account for 43% of the total population. When these children are old enough to enter the labor force, the proportion of income-earners in the economy could be increased substantially, boosting average per capita incomes.

But not all countries are set to benefit from a "youth bulge." Between now and 2030, several middle-income countries will experience a decline in the share of the working-age population. Among other things, this reflects the tendency, supported by empirical evidence, for higher incomes to impel households to delay having children.

Even here, however, the demographic news is not all bad – and not just because the shift from higher to lower fertility typically correlates with a shift from lower to higher life expectancy. History suggests that there is a second type of demographic dividend – one that actually lasts longer and is more durable than the first – which emerges when the accumulated savings of an aging population produce a surge in investment. Many wealthier countries have followed this path.

But reaping a demographic dividend takes work. As the World Bank Group's 2015/2016 Global Monitoring Report emphasized, countries' policy responses make all the difference in how demographic trends affect the wellbeing of the population. With the wrong approach, a surging youth population can be destabilizing, and a rapidly aging population can become a burden on economic growth and public budgets.

For countries with a growing working-age population, the key challenge is to generate a large number of productive jobs. For those with an aging population, it is to improve productivity and adapt social-welfare systems. In both cases, investment in human capital and an enabling environment for businesses to boost employment are essential.

Furthermore, countries should take advantage of differences in their demographic situations with appropriate policies on cross-border capital flows, migration, and trade. More capital should flow to countries with younger populations – with their growing manufacturing bases and consumer markets – to support investment and employment growth; and more labor should flow to countries with aging populations, to fill gaps in the workforce.

For all of these policies to work, countries need to improve the effectiveness and credibility of their civic and government institutions. Mitigating uncertainty, in order to avoid fueling instability, is also essential.

The last 35 years prove that a larger population does not have to be poorer. While the increasing concentration of the poor in fragile and conflict-affected countries will compound the challenge of poverty reduction over the next few decades, this is no excuse for not ensuring continued progress. We have the resources and knowledge to achieve far greater prosperity, equity, and sustainability. The real challenge will be to use them effectively. (Courtesy Project Syndicate)

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Beyond the Paris Climate Agreement

By Bo Lidegaard

Now that it has been ratified by India and the European Union, the Paris climate agreement is set to enter into force. But the hard part is yet to come: turning the agreement's vague political commitments into concrete action to mitigate global warming.

The Paris agreement, concluded last December, was a major accomplishment and an unprecedented display of political unity in the effort to tackle one of the most dangerous and complicated threats to our future welfare and prosperity. By including the entire international community in its partly binding framework, the deal establishes a new paradigm in global governance.

But, in practical terms, the agreement is hardly a guarantee of success. It provides no tools to ensure implementation of the policies and measures needed to keep global warming "well below" two degrees Celsius above pre-industrial levels, the threshold that forms the centerpiece of the deal.

The agreement provides merely a framework for reporting and reviewing on the implementation of disparate national agendas, as well as provisions aimed at nudging countries to achieve deeper cuts. Rather than establishing an enforcement mechanism to keep countries on track to meeting their targets, the agreement relies on a "facilitative dialogue" on collective progress to sustain momentum. But even this provision will not be tested until 2018.

Given the difficulty of such large-scale intergovernmental cooperation, a more ambitious and binding global agreement could not reasonably be expected, at least not anytime soon. But climate change is not going to wait. Its effects are already being felt worldwide, with extreme weather conditions becoming increasingly frequent.

In fact, evidence suggests that the effects of current concentrations of greenhouse-gas emissions are already at the upper end of the modeled scenarios. Climate scientists now warn that the two-degree window is closing very rapidly, if it is not already shut. If we are to have any chance of meeting our climate targets, we need to take strong action now to reduce emissions drastically – action that goes beyond the Paris agreement. We must fundamentally transform the way we do business, with investors and companies abandoning their cautious approach to the low-carbon transition.

There are signs that such a shift in mindset is underway. Efforts and initiatives to catalyze a more rapid move toward greener practices by companies, investors, and capital markets are multiplying, spearheaded partly by business leaders eager to profit from the transformation. But the momentum remains far from strong enough, and, in general, capital markets still do not incorporate climate and carbon factors when pricing assets and evaluating risk.

With the right approach, businesses could not only help to achieve the emissions targets set out in the Paris agreement; they could also contribute to reigniting growth and delivering on the Sustainable Development Goals, approved by the United Nations last year. As a recent report released by the Global Commission on the Economy and Climate emphasizes, that approach should center on investment in sustainable infrastructure.

There is no question that the investments made today in infrastructure, as well as in extraction and utilities – will have important implications for long-term emissions. The wrong approach could easily lock the world into a carbon-based economy for another decade or more, pushing us far beyond the two-degree threshold. Green infrastructure, however, can form the foundation for a sustainable economy.

The Global Commission report sets out to identify the main obstacles to financing such infrastructure and to create an agenda to overcome them. In doing so, it represents a new approach to bringing about systemic change, different in two fundamental ways. First, the proposed agenda adopts a more holistic perspective on the green transformation. The report includes specific recommendations on matters such as how to shift to low-carbon systems; but it presents them against the backdrop of broader priorities, such as the SDGs.

In other words, it seeks not just to put the transition to a green economy at the top of the political agenda; it makes it a key component of the response to a broad range of political, social, and economic challenges.

Second, the recommendations emphasize the business opportunity presented by the ongoing disruption of the world economy. If investors recognize the benefits of getting in on the ground floor of the new economy, they will be more likely to embrace the necessary changes, thereby helping to drive forward a critical climate transition.The new approach may make all the difference – and not only to business. What is at stake is nothing less than the world's ability to take back control of our future. (Courtesy Project Syndicate)

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