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Regional implications of NATO withdrawal from Afghanistan: What role for the EU?

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The US and NATO may have a date to leave Afghanistan, but they still lack a realistic exit strategy. There is no credible plan for a political and security transition within the country. It is difficult to believe that the weak Kabul government will be able to provide security or hold the Taliban at bay. Moreover, there is no meaningful strategy to embed the 2014 draw-down within the complex power dynamics of the region. A sustainable solution for Afghanistan requires a negotiated political settlement that is backed by regional powers.

Although Afghanistan's internal politics will be crucial, its neighbours will significantly shape the country's future following NATO's departure. Moreover, developments in Afghanistan will have profound implications for security in its neighbourhood. Despite this, the US and its EU allies have so far failed effectively to situate their goal of stabilising Afghanistan within the broader dynamics of the region. To do so requires identifying the interests of the different regional actors in Afghanistan and the incentives that could encourage them to support an Afghan peace deal, as well as understanding how failure in Afghanistan may affect regional stability.

Afghanistan's neighbourhood is both highly volatile and critical for global security. It poses a number of interrelated threats, including terrorism, drug trafficking, nuclear proliferation and long standing national, ethnic and sectarian conflicts.

Highlights

- Western actors have not engaged sufficiently with the regional power dynamics that will determine Afghanistan's future.
- The conflicting interests of Afghanistan's neighbours need to be resolved in order to build a sustainable peace.
- The EU must consider how it can help promote a regionally backed settlement for Afghanistan.

Europe's security is therefore at stake in the Afghanistan endgame. However, the EU so far lacks a joined up and strategic response to Afghanistan's neighbourhood. Europe needs to adopt a more nuanced regional lens on Afghanistan and consider what role it could play in promoting a regional solution.

CONVERGING AND CONFLICTING INTERESTS

Given Afghanistan's strategic location and potential to undermine regional security and prosperity, all its neighbours share a common interest in the emergence of a stable Afghan state. However, they have varying, and in some cases profoundly conflicting, interests regarding the nature of this state. If these conflicting interests are not resolved they could undermine the stability that all Afghanistan's neighbours require.

The country whose future is most intimately tied to that of Afghanistan is Pakistan. Pakistan's powerful military has consistently supported the Quetta-Shura Taliban, the Haqqani network and other militants in Afghanistan, as well as sought to derail any peace negotiations which exclude Pakistan. Pakistan has simultaneously accepted huge quantities of US military aid to fight militancy, a double handed position that is becoming increasingly untenable as US frustration grows.

Pakistan's spoiler role in Afghanistan must be understood within the context of its conflict with India and sense of regional insecurity, as well as the civil-military imbalance which allows the military to dominate policy making. The overall goal of Pakistan's military is to ensure that pro-Pakistani militant groups gain power in post-NATO Afghanistan. Pakistan is concerned at growing Indian influence in Kabul and sees a friendly Afghanistan as necessary for its security in the region.

Beyond the 'India threat', there are other Pakistani interests at stake in Afghanistan. The Pakistani military's support for militants in Afghanistan has created space for militancy in Pakistan's border areas, from where an insurgency has spread across the country. A political settlement in Afghanistan that enables Afghan militants based in Pakistan to go home and reduces militant activity on both sides of the border would greatly improve Pakistan's prospects of defeating its internal insurgency. Moreover, Pakistan's economy is in bad shape and an improved security situation and stable border with Afghanistan could facilitate trade and growth. These are compelling reasons for Pakistan to support stability in Afghanistan. However, given the Pakistani military's obsession with India, it is likely to prioritise a client Afghan state over a stable one.

India also sees Afghanistan through the lens of its conflict with Pakistan. India has historically had excellent relations with Afghanistan, apart from during the rule of the Taliban who were deeply hostile to India. India has rebuilt its influence in the country since 2001. It has given approximately $2 billion in aid to Kabul, making it the largest regional donor. In October 2011 India and Afghanistan developed a strategic partnership agreement. This gives India a role in training Afghan security forces, much to Pakistan's concern. There are

suggestions that New Delhi and Kabul are also collaborating clandestinely to support Baloch insurgents within Pakistan. India's main interests are to counterbalance Pakistani influence in Afghanistan and prevent the return of a Taliban regime that would provide a haven for jihadi militants. Since 2001 trade between India and Afghanistan has increased dramatically and a stable Afghanistan could provide India with trade and energy access to Central Asia.

There is no meaningful strategy to embed the 2014 draw-down within the complex power dynamics of the region

China's engagement with Afghanistan is primarily economic. Beijing is the biggest foreign direct investor in Afghanistan, with major investments in mining and communications. China has avoided any direct involvement in Afghanistan's security or domestic politics, fearing this would make it a target for Islamist terrorism. However, as a close ally of Pakistan, China must be assumed to have some indirect influence over security in Afghanistan. Given its economic investments and concern about the spread of Islamic militancy, China's interest is overwhelming for a stable and moderate Afghanistan. However, there is a danger that China's extractive form of investment may work against Afghanistan's development. It could instead shore up elites and increase inequality. China's deep opposition to permanent US bases in Afghanistan is a stumbling block to its engagement with international actors on Afghanistan's future.

Iran's influence in Afghanistan has increased since the fall of the Taliban. Iran provides political support to the Karzai government while apparently also supporting elements of the Taliban in order to undermine the US mission. Iran wants to see foreign forces leave Afghanistan and shares China's concerns regarding any permanent US base. However, it does not want an unstable Afghanistan or the return of the Taliban. Iran's main interests are to control drug trafficking from Afghanistan; increase its access to markets in Afghanistan and Central Asia; and use Afghanistan as a route to transport energy to China. Iran would not like Afghanistan to be entirely controlled by Pakistan.

Moscow understands that an unstable Afghanistan will compromise its own security. Russia's interests are overwhelmingly in a secure and moderate Afghanistan that will not destabilise Central Asia or spread Islamist extremism. However, Russia shares China and Iran's concerns regarding permanent US bases. Russia is seeking closer security ties with the EU and greater influence in Euro-Atlantic and Eurasian security cooperation. It sees cooperation with the west over Afghanistan as an opportunity to strengthen these ties.

The Central Asian states have little influence over developments in Afghanistan. However, their security could be threatened by greater instability in the country, in particular through the spread of radicalism and drug trafficking. Given their porous borders and substantial ethnic minorities in Afghanistan, Tajikistan and Uzbekistan are particularly vulnerable to negative spill-over from conflict in Afghanistan.

THE NEED FOR A REGIONALLY SUPPORTED SETTLEMENT

It is widely accepted that conflict in Afghanistan can only be ended through a negotiated peace settlement that includes the Taliban. Both the US and the Karzai government have made efforts to broker such a settlement, but with little progress. The government's attempts to reach out to the Taliban were disrupted in September 2011 by the killing of its chief negotiator, ex-President Rabbani, apparently on the orders of Pakistan's security services who did not appreciate being excluded from negotiations. Both Qatar and Saudi Arabia are now apparently playing a role in reinitiating dialogue. However, it is not clear if the Taliban is interested in negotiating, with NATO's withdrawal so closely in sight.

As Rabbani's killing demonstrates, any settlement that excludes regional powers or undermines their interests is doomed to fail. What is needed is a political settlement between Afghanistan's main actors that is actively supported by regional powers. This requires that both national and regional actors play a role in negotiations. It also requires finding a compromise between the competing interests of Afghanistan's neighbours. Given the tensions between these neighbours, this will be an extremely difficult task.

The Istanbul and Bonn processes were intended to build international and regional cooperation concerning Afghanistan. However, these have not resulted in any concrete progress. This is partly because of differences between the approach of western actors and regional powers, as well as the divisions among regional powers themselves. The next international conference on Afghanistan, planned for 2013 in Tokyo, seems unlikely to overcome these problems. In addition to these formal processes, the US and some EU member states are engaged in intense diplomatic dialogue with Afghanistan's neighbours on the future of the country. However, at the moment there is little sign that a regionally owned solution for Afghanistan is going to emerge in time for the 2014 withdrawal. If NATO leaves Afghanistan without a regionally backed settlement in place the stability of the whole region will be in jeopardy.

Without a regionally backed settlement the greatest danger is of a proxy war in Afghanistan, with regional powers backing different ethnic or sectarian factions in pursuit of their own interests. Such a conflict would be dominated by the struggle between India and Pakistan for control of Afghanistan. However it is possible that Iran and Russia would collaborate with India to support anti-Taliban actors, while Saudi Arabia may support Pashtun groups in alliance with Pakistan.

Such a conflict would not only be devastating for Afghanistan, but would have serious implications for regional security and prosperity. It would dangerously heighten tensions between India and Pakistan. It could also increase ethnic and sectarian violence across

the region, given that proxy groups in Afghanistan are defined along ethnic and sectarian identities. Moreover, such a regionally sponsored conflict in Afghanistan would block any progress towards regional agreement on key issues such as nuclear proliferation, water sharing, energy and trade.

A stable Afghanistan could provide an important trade route for India, Pakistan and China to reach Central Asian markets, as well as for Central Asian and Iranian energy to reach China and South Asia. The development of such trade routes could increase prosperity across the region and enhance regional stability. Conversely, an increase in conflict in Afghanistan would have serious economic consequences for the region. It would block prospects for increased trade, prevent international actors from providing development assistance and threaten China and India's investments in Afghanistan. It could also precipitate another mass flow of Afghan refugees into neighbouring countries, with serious economic and security costs.

Of greatest concern to the international community is that Afghanistan's collapse into civil war or return to Taliban rule would again make it a haven for jihadi terrorism. These concerns are reflected within the region. India is particularly worried about the prospect of a Taliban return, given that the last Taliban government supported terrorist activities against India. China and Russia would also be concerned at an Afghanistan that provides even more space for international terrorist networks.

EU ENGAGEMENT

The EU has invested heavily in Afghanistan. EU civilian assistance to the country is approximately €1 billion per year; the EUPOL mission has been in place since 2007 to strengthen the Afghan police force and the rule of law; and EU member states have contributed extensively to the NATO military mission. However, this investment (like that of the US) has not significantly improved Afghanistan's governance, development or security situation. This failure is not only due to ineffective western strategies or corruption within the Afghan government. It is also because Afghanistan's neighbours have undermined progress.

Given that the Afghanistan endgame is controlled by Asian powers, the US will have limited influence on the outcome and the EU even less. The challenge for the EU is that, while it has minimal influence within Afghanistan's neighbourhood, that neighbourhood's future is vitally important for European security. This means the EU must continue to search for modest ways in which it can promote regional support for a viable negotiated peace in Afghanistan. The EU must use quiet diplomacy, mediation and targeted support to key actors within Afghanistan and the region to help foster such agreement.

The EU institutions have so far failed to take up this challenge. While Brussels provides assistance to Kabul, it has not developed any strategic approach to promote a regional solution to the conflict. Its role has primarily been as an aid donor, with

limited political engagement. However, this is beginning to change. Recognising the importance of Pakistan's future to European security, the EU increased its aid to Pakistan by 50 per cent from 2011-2013 and in February 2012 signed a 5 year engagement plan with the country. The EU is strengthening political dialogue with India and the issue of regional cooperation on Afghanistan featured in the February 2012 India-EU summit.

At present, the EU pursues separate policy initiatives in different parts of the region with limited inter-linkages. For example, the EU's security assistance in the region has been piecemeal and mostly has not addressed the regional aspects of insecurity, apart from one initiative under the Instrument for Stability to support increased civilian anti-terrorism cooperation between Pakistan and Afghanistan. Likewise, while the EU provides support to democratic institutions and civil society across the region, this support could be better joined up. In particular the EU could help link progressive actors from Afghanistan, Pakistan, Iran and India in dialogue on the future of Afghanistan and the region. In contrast, the US recently launched its New Silk Road initiative, which aims to strengthen regional linkages through region-wide infrastructure and other projects. However, this initiative lacks funding and remains a somewhat imprecise vision.

The EU's greatest leverage in this region is arguably through trade. The EU is the largest trade partner of both India and Pakistan and could potentially use this position to wield greater political influence. Although an EU waiver on tariffs for Pakistan was recently approved, Pakistan is desperate for a free trade agreement (FTA). The offer of rapid progress on a FTA could perhaps provide incentives for improved regional cooperation by Islamabad. Through support to regional trade cooperation initiatives the EU could also possibly help strengthen economic links and ease tensions between India, Pakistan and Afghanistan. Of course, in these tough economic times, Brussels' trade dialogue with India is inevitably more focused on Europe's economic needs and finalising the drawn out EU-India FTA negotiations than on the security challenges of South Asia.

PRIORITIES

The EU must make every effort to encourage Pakistan to give up its spoiler role in Afghanistan. This requires reducing Pakistan's sense of external insecurity and encouraging Pakistan and India bilaterally to resolve some of the outstanding tensions between them. It also means encouraging India to step back from more provocative aspects of engagement with Kabul.

The EU should also encourage Pakistan and Afghanistan to work together to address their differences and reduce suspicion. This includes addressing their long running border dispute and agreeing on how the border can best be managed. It could also involve working jointly to address the anxieties of the Pashtun

community – who make up the bulk of Afghan and Pakistani insurgents – on both sides of the border. As a major donor to both countries the EU can support governance reforms, institution building and development initiatives that address the grievances of Pashtun populations.

It is difficult to imagine that the EU could wield any influence with the Chinese government regarding its role in Afghanistan. However, it should certainly raise the issue of Afghanistan and related regional security challenges as part of its political dialogue with China. Disappointingly it appears that Afghanistan was not discussed during the latest EU-China summit on 14 February 2012. The EU should provide technical support to Afghan authorities to help ensure that contracts with Chinese investors provide the best deal for Afghanistan; more transparent governance would also temper growing Chinese unease over investment conditions in the country.

The EU must seek opportunities to draw Iran into international dialogue on Afghanistan. Iran's interest in regional level engagement can be seen in President Ahmadinejad's participation in three way discussions on regional security and trade issues with Afghan and Pakistani leaders in February 2012. Despite deteriorating relations between the EU and Iran, the two share some interests in relation to Afghanistan. Both want to avoid the return of the Taliban, would like to curb drug trafficking and want to see the Afghan economy and trade routes developed. It is important that growing tension over Iran's nuclear programme does not completely close the door to EU engagement with Iran on the future of Afghanistan – even if this looks a remote prospect in the current climate.

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