**The Taliban versus a Collapsing Afghan Economy**

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There has been a dramatic change of events since the Taliban took full control of the country. The international community is sceptical about the Taliban 2.0, who have so far failed to impress an international political audience with their modified and improvised version. The possibility of long-term peace is inextricably linked to the formation of a government that is inclusive and multiethnic. However, before considering the creation of a government, the urgent priority should be the severe financial distress in which the Afghan people are engulfed. If serious and quick steps are not made to address this problem, it would result in unrelenting civil unrest and economic collapse.

Since the American planes wheeled up in the skies, there is a great debate worldwide on geopolitics, security, governance, women rights, and sharia law. Ironically, despite the severity of the economic crisis, the actual worry has not received the attention it deserves in the worldwide media. One of the most serious humanitarian crises is developing, and it is gender-blind. The globe is still debating women’s rights, dress codes, and the burqa. I am not in favour of burqas, but it is not the most important issue to address first. I have yet to see a genuine discussion that suggests a solution to the dilemma, which is deeply intertwined in financial distress and economic meltdown.

We don’t need proof to say that the Afghan economy is on the verge of collapsing. Rather, it is already crumbling. The country’s internal banking system is in shambles, and there is no cash flow. The foreign donors have refused to accept the Taliban, and in their condemnation of the existing regime, Germany and the United States, as well as the World Bank and the International Monetary Fund, have either halted or suspended payments to the Afghan government.

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Due to continuous war expeditions for the past 40 years, the current economic meltdown should not surprise anyone. A sudden cessation of foreign aid has caused it to plummet. Billions of dollars were pumped into the Afghan economy between 2002 and 2013, resulting in an artificial growth rate of nine per cent. The large financial stream was used to cover the costs of the bases of foreign armed forces. The yearly GDP growth rate decreased from 14 per cent to two per cent in 2014 as the troops began to wind up their operations and leave the tough terrain. This was further exacerbated by massive corruption.

In Afghanistan, 90 per cent of the population is impoverished. According to the International Committee of the Red Cross, 18.4 million people require emergency humanitarian help, where seven million people do not have access to health care, and 3.1 million children are at risk of acute malnutrition. Many Afghans have lost their jobs particularly those, who were working for the security forces. Even Afghan National Security Forces have not been paid their salaries since July 2021. There is an imminent danger that out of frustration, the formally trained soldiers can join insurgents. A large proportion of Afghans still rely on subsistence farming, and the country is currently experiencing its second severe drought in four years. Food insecurity has risen exponentially, putting the lives of millions of people in danger. Fifty per cent of the children are already malnourished, and the government is unable to import food, medicines, and life-saving drugs due to harsh sanctions and the halt of international aid.

Currently, the ordinary Afghan, regardless of gender, does not have access to food, clean water, or shelter. Donors imposed stringent restrictions on funding to Afghanistan as soon as the Allied Forces began to withdraw and the Taliban regained their control. The capital flight and the escape of Afghan high government officials further squeezed the limited resources available to the Afghan government. The withdrawal may have fulfilled a president’s manifesto, but it has placed the lives of millions of Afghans-children of a lesser god, in jeopardy. Economists relate this scenario to the classic example of a liquidity trap. Banks are dysfunctional, government foreign reserves have been blocked, there is no cash flow in the formal sector, and people have begun hoarding cash, further drying up the economy. Because there is little economic activity in the country, an ordinary Afghan is more likely to get involved in either opium cultivation or economic migration, or seeking refuge in neighbouring countries such as Pakistan and Iran, or joining terrorist groups other than the Taliban for sustenance.

Given the plight of Afghans, the international community cannot shrug off its responsibilities simply because the Taliban are in power. A German minister recently stated that if the Taliban were to take power and establish sharia rule, Germany would not give a penny. Taliban are a political reality and the international world should constructively engage with them. International assistance groups and donor countries should release aid with conditions imposed on the Taliban. Rather than isolating them, this might be a preferable alternative. Taliban will not be deterred by the punishments but it will leave dire consequences on poor Afghans.

All political analyses will be remiss if do not proffer a solution. The international community should separate the geopolitics and geostrategic stance from the economic dimension of Afghanistan’s quagmire. The economic implosion will cause a widespread crisis, which will have political and militant ramifications. We must intervene to avert disaster, or it will be too late.

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