

**Taliban policies are a nightmare;
so are economic warfare and starvation**

Norah Niland • Co-founder of United Against Inhumanity

Is it moral to deprive Afghans of their State's sovereign wealth on the grounds that the Taliban took control of the country on 15 August 2021? Without ignoring the dramatic effects of Taliban policy, the author answers unambiguously that it is the responsibility of the international community to allow access to these funds on which the survival of millions of people depends.

Since the Taliban regained power in Kabul in August 2021, the media is full of their dastardly deeds and the shocking situation this entails for women and girls and a host of others including ethnic and religious minorities, journalists, individuals affiliated with the former regime, human rights advocates and civil society activists. At the same time, there is a chorus of concern about deepening poverty, loss of livelihoods, growing deprivation and unprecedented levels of hunger and starvation.

According to the World Food Programme, one in three Afghans are not getting enough to eat.¹ United Nations (UN) International Children's Emergency Fund recently advised that 1.1 million babies and children under the age of 5 would "likely face the most severe form of malnutrition" in the coming months given the growing numbers of "hungry, wasting-away children" being brought to hospitals and the struggle to keep pace with "relentlessly worsening conditions."² The non-governmental organisation (NGO) Save the Children reported in May 2022 that thousands of Afghans were pushed into famine in recent months and 9.6 million children were "unable to secure food" on a daily basis.³ It attributed this to the deepening economic crisis.

¹ World Food Programme, "Families in Afghanistan need your help", <https://www.wfp.org/support-us/stories/families-afghanistan-need-help>

² Rahim Faiez and Lee Keath, "1.1 million Afghan children could face severe malnutrition", *Associated Press News*, 25 May 2022, <https://apnews.com/article/afghanistan-health-prices-united-nations-d74bb5f7326d57e53e17258a42452d92>

³ "Nearly 10 million children going hungry in Afghanistan, says NGO", *Al Jazeera*, 10 May 2022, <https://www.aljazeera.com/news/2022/5/10/nearly-10-million-children-go-hungry-in-afghanistan-says-ngo>

An economic and ensuing banking crisis

The current situation of multiple, interlocking crises cannot be divorced from the repercussions of more than four decades of armed conflict and the failed state-building and democratisation process that emerged from the Bonn Agreement passed in December 2001. The Agreement had critical flaws including the non-participation of Afghans sympathetic to the Taliban regime that was ousted by US (United States) gunfire and the political, military, and financial support given to various well-known warlords at the time.

Nevertheless, the post-Bonn dispensation did enable many positive developments. Positives included more children, including girls, in school; greater access than before to an improved health care system; the repatriation of millions of refugees from neighbouring countries, and the emergence of civil society actors throughout Afghanistan. A robust media environment along with enhanced social media and communication networks facilitated the presence of diverse voices in the public sphere. However, institutional reform and capacity-development were stymied from the start by entrenched impunity, dysfunctional, centralised, and corrupt governance as well as inadequate and ineffectual investment in poverty reduction.⁴ In addition, a project-style approach to strengthening human rights was pursued rather than overdue national dialogue on the fundamentals needed to undo a long history of deep-seated discrimination against females and pervasive abuse of power.

Long before the Taliban marched into Kabul last year the Afghan economy was contracting thanks, in part, to growing insecurity, a severe drought and the government's unusually high level of dependence on Western support, with "40% of the economy and 75% of the government's public spending [coming] from international donors."⁵ Economic turmoil and chaotic governance meant that civil servants staffing essential services such as health and education had not been paid for months prior to the collapse of the Ashraf Ghani administration.⁶

Shortly after the Taliban takeover, -Washington and its allies cut off their massive aid pipeline and instructed the World Bank and the International Monetary Fund to do likewise.⁷ This included the World Bank's Afghanistan Reconstruction Trust Fund that

⁴ Thomas Ruttig and Jelena Bjelica, "The state of aid and poverty in 2018: A new look at aid effectiveness in Afghanistan", *Afghanistan Analysts Network*, 17 May 2018, <https://www.afghanistan-analysts.org/en/reports/economy-development-environment/the-state-of-aid-and-poverty-in-2018-a-new-look-at-aid-effectiveness-in-afghanistan>

⁵ "David Miliband's testimony to the senate foreign relations committee subcommittee on Afghanistan", *International Rescue Committee*, 9 February 2022, <https://www.rescue.org/press-release/david-milibands-testimony-senate-foreign-relations-committee-subcommittee-afghanistan>

⁶ Outbuddin Kohi, "Faryab health workers not paid for 5 months", *Pajhwok Afghan News*, 23 September 2021, <https://pajhwok.com/2021/09/23/faryab-health-workers-not-paid-for-5-months>

⁷ Alan Rappeport, "Afghanistan faces economic shock as sanctions replace foreign aid", *The New York Times*, 21 August 2021.

doled out salaries to millions of Afghans, many of them female, including teachers, health personnel and other frontline workers.

The US, in concert with European governments, also blocked the Da Afghanistan Bank (DAB), the country's central bank, from accessing Afghanistan's foreign reserves and, by extension, the international banking system. This crippled the Afghan economy and its banking sector. This in turn led to the immediate loss of jobs and livelihoods, widespread poverty, hunger, limited health care and new refugee flows.

Manufactured poverty

The DAB, like all central banks, has a critical role to play in supporting a functioning economy. Its responsibilities include stabilising the local currency, the afghani, through routine currency auctions to maintain price stability, foster liquidity, execute foreign exchange policy and regulate financial institutions. However, with no access to Afghan external reserves – US\$9.1 billion arbitrarily sequestered in the US Federal Reserve and various European banks – the DAB is unable to undertake this “critical market stabilising function.”⁸ In a cash-based economy, with significant current account deficits as imports exceed exports, the inability of the DAB to operate as required translates into unchecked inflation. This has put everyday basics such as food and fuel for cooking and heat in winter beyond the reach of millions of Afghans from all walks of life; many are lining up for humanitarian aid for the first time in their lives.⁹

The DAB, restructured in 2004 as part of a wider, post-Bonn -capacity-building exercise, is an independent institution; it has full autonomy to operate without political interference. As noted in a World Bank review, a “new central banking law is now in place that guarantees the central bank's autonomy.”¹⁰ In sum, the DAB's resources do not belong to the Taliban nor, indeed, to the Biden administration. They should not be used for domestic or US foreign policy agendas. Importantly, these assets belong to the Afghan people as they also include the savings of many Afghan citizens and funds required for everyday private sector transactions.

It is worth noting that different rounds of US sanctions were first introduced in 1998 against the Taliban and specific Taliban officials. However, when the DAB was manacled, they effectively became sanctions against all the people of Afghanistan. Moreover, the international banking sector has opted for a pronounced risk-averse approach: it declined

⁸ Shah Mehrabi, “Afghanistan's economy is collapsing, the US can help stop it”, *Al Jazeera*, 29 January 2022, <https://www.aljazeera.com/opinions/2022/1/29/afghanistans-economy-is-collapsing-the-us-can-help-stop-it>

⁹ Jo Shelley, Christiane Amanpour and Ahmet Mengli, “Afghanistan's new poor line up for aid to survive as food crisis bites”, *CNN*, 22 May 2022, <https://edition.cnn.com/2022/05/22/asia/afghanistan-hunger-new-poor-intl-cmd/index.html>

¹⁰ DAB law was published in an Official Gazette on 12 July 2003 (30/10/1382), see The World Bank South Asia Finance and Private Sector Unit, The Financial Sector in Afghanistan, *Managing the Post-conflict Reform Process*, 2004, <https://documents1.worldbank.org/curated/en/906721468765919977/pdf/40680.pdf>

to undertake regular transaction with banks in Afghanistan given the fear of falling foul of the US sanctions regime. As a result, international financial transactions have become practically impossible as Afghan banks cannot readily access the international financial system. Imports and especially exports have ground to a trickle. As noted in *The Broker*, the catastrophic economic crisis in Afghanistan is “to a large extent caused by the international response to the Taliban’s seizure of power.”¹¹

The freezing of Afghanistan’s external reserves raises several questions including, but not limited to, human rights. Why, for example, are regular Afghan citizens made to suffer for a crisis not of their making? This is happening as they struggle to survive the draconian reality of Taliban rule as well as US-led policies that are dismissive of the right to food of Afghans including the many who are starving, malnourished or at death’s door.¹² This is tantamount to collective punishment.

The Biden administration, the UN and the humanitarian community have pushed to find alternatives to the hobbled banking sector to facilitate the transfer of financial resources for specific projects. This has resulted in some welcome easing of resource flow restrictions including for relief efforts. The UN and its partners have also launched a series of humanitarian appeals in recent months to address the consequences of the crippled economy. This includes the single largest-ever crisis-specific appeal in January 2022 for US\$5 billion.¹³

A similar humanitarian appeal was issued in March for US\$4.4 billion that resulted in pledges of US\$2.44 billion.

However, it is self-evident that humanitarian assistance can never be a substitute for a functioning economy whatever the setting. For the most part, it is a stop-gap measure to help crisis-afflicted communities deal with threats that overwhelm their usual coping mechanisms. Thus, it is noteworthy that, with a few exceptions, humanitarian actors have been silent on the political causes of the current crisis – donor policies “that manufacture poverty” – presumably to safeguard bilateral donor relations and NGO funding flows.¹⁴

This contrasts with the many crisis situations where humanitarians have highlighted the role of warfare, drought or flooding, for example, in generating the need for humanitarian

¹¹ Jorrit Oппewal and Jorrit Kamminga, “Tough sanctions against Taliban undermine right to food”, *The Broker*, 24 May 2022, https://www.thebrokeronline.eu/tough-sanctions-against-taliban-undermine-right-to-food/?utm_source=rss&utm_medium=rss&utm_campaign=tough-sanctions-against-taliban-undermine-right-to-food

¹² Human Rights Office of the High Commissioner, “Afghanistan: UN experts call on US Government to unblock foreign assets of central bank to ease humanitarian impact”, *United Nations*, 25 April 2022, <https://www.ohchr.org/en/press-releases/2022/04/afghanistan-un-experts-call-us-government-unblock-foreign-assets-central>

¹³ United Nations, “Afghanistan: UN launches largest single country aid appeal ever”, *UN News*, 11 January 2022, <https://news.un.org/en/story/2022/01/1109492>

¹⁴ United Against Inhumanity, “Update on UAI campaign ‘Frozen funds, desperate Afghans’”, 8 May 2022, <https://www.against-inhumanity.org/2022/05/08/update-on-uai-campaign-frozen-funds-desperate-afghans>

action. It is no less noteworthy that when Jeffrey DeLaurentis, US Deputy Ambassador to the UN in New York, addressed the UN Security Council in March, he said that the “the onus” was on the Taliban to restore economic stability after the UN noted that the Afghan economy was headed towards “a point of irreversibility.”¹⁵ A few weeks later, the US government reacted negatively to a statement by fourteen independent UN Special Rapporteurs who expressed concern that the alarming situation in Afghanistan was “exacerbated by the measures imposed by the US”.¹⁶

Solutions exist: will the political will be there?

Unquestionably, the situation in -Afghanistan is dire. It is also immoral. It is, largely, a human-made disaster that imperils the lives of millions and further marginalises and disempowers women and girls. The Taliban are, unsurprisingly, being challenged by a broad range of actors within and beyond Afghanistan for their uncompromising stance on policies and practices that are harmful and unacceptable to large numbers of Afghans, male and female. Policies, largely pushed by the US and its Western allies and which have denied Afghans access to their sovereign resources – assets that belong to the Afghan people – are no less reprehensible. The lived experience of a broken economy and rising debt and impoverishment is a nightmare for the millions who struggle, daily, to feed their children and other family members.

With a focus on saving lives, different initiatives and campaigns have been mobilised to challenge and bring an end to avoidable hunger, loss of hope and the deprivation that is driving many desperate Afghans from their homes. Practical solutions are readily available. For example, in letters to President Biden and other Western leaders, United Against Inhumanity (UAI) has called for:

- the immediate establishment of an internationally monitored mechanism to allow the DAB to access some US\$150 million per month of the frozen reserves. This would allow the injection of a minimum of liquidity into the economy and enable inflationary control measures. This arrangement could be suspended anytime if the *de facto* authorities interfere with the independent functioning of the DAB.
- the immediate transfer to the DAB of the 3 billion afghanis (some US\$8 million), the local currency, that have been printed in Poland, paid for but not dispatched since last year for fear of falling foul of the sanctions against the Taliban.

¹⁵ Edith M. Lederer, “UN envoy : Afghan failing economy heads to ‘irreversibility’”, *AP News*, 3 March 2002, <https://apnews.com/article/russia-ukraine-afghanistan-business-taliban-united-nations-46ebc6dd567c8fb9edd7ec74c86fa1a6>

¹⁶ “US rebuffs criticism from UN experts on Afghan assets”, *VOA News*, 25 April 2022, <https://www.voanews.com/a/us-rebuffs-criticism-from-un-experts-on-afghan-assets-/6544806.html>

Other NGOs – including the Unfreeze Afghanistan Coalition¹⁷ in the US and Emergency¹⁸ in Italy – have called for similar measures that are straightforward and can be easily implemented. What is missing is the political will.

UAI remains focused on challenging the ethics and consequences of unilaterally freezing the assets of the DAB and the implications of this for the Afghan people. UAI is also concerned about the normalisation of structural as well as physical violence and the inhumanity of collective punishment whether this is played out against asylum seekers or people endangered by economic warfare.

UAI encourages and welcomes the engagement of others who are committed to challenging the deliberate harm inflicted on Afghans. It is keen to collaborate and cooperate with other entities and individuals in order to maximise impact and to broaden networks where and when this is deemed appropriate.

All public material on UAI's campaign and other relevant material is available on UAI's website: <https://www.against-inhumanity.org/campaigns>

If you are interested in supporting UAI's campaign, you can write to: contact@against-inhumanity.org

To complete this article in images, see the photographic work done by Sandra Calligaro in Afghanistan and presented in our -Reportage section, pp. 98–123

Biography • Norah Niland

A co-founder of United Against Inhumanity, Norah Niland has worked on humanitarian and human rights issues for much of her adult life. This includes many years of engagement with Afghanistan where she has worked on various occasions including during the first Islamic Emirate as advisor to the aid community on human rights. Norah headed up the human rights team at the United Nations Assistance Mission in Afghanistan (2008-2010) when she introduced, for example, programmes to address gender inequity and impunity along with a campaign to reduce the impact of war on civilians through systematic investigation, analysis and public reporting on incidents involving civilian casualties.

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¹⁷ Masuda Sultan, "How America is causing a famine in Afghanistan", *The Gravel Institute*, 8 March 2022, https://www.youtube.com/watch?v=igJ_74590BA

¹⁸ Emergency, "How to guarantee humanitarian aid to the Afghan people after August 2021?", May 2022, <https://en.emergency.it/wp-content/uploads/2022/05/A-Humanitarian-Health-Organisations-Perspective.-May-2022-EMERGENCY.pdf>