

Florian P. Kühn

Afghanistan's Security Hurdle: competition and co-operation amongst political rentiers and drug rentiers

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Abstract: The Afghan state competes for dominance with local orders and structures. The newly built state is only one of several stakeholders involved in this process, but it is aiming to be the most pre-eminent, in a position where it can transform power into governance. Meanwhile, it constitutes a political space derived from external support in the form of political legitimacy (e.g. by international regimes, such as Security Council resolutions), finance (external grants or development aid, capacity building funds), military (troop deployment of UN or other international military), and privileged access to information (by making international arrangements in all the other fields¹). Yet being able to mobilize a relatively high level of resources does not mean that the state can move from being a competitor to the primary regulator. Instead, it finds itself in the unpromising situation of having to respond to local needs and challenges in order to strengthen its internal legitimacy, and to (re-)act according to demands put forward by the financing bodies. These vectors of responsiveness and accountability diverge, in some cases leading to a situation that can best be analysed in terms of the rent-state. A rentier state is one that accumulates the biggest share of its income from external sources. The central characteristic of the rent is that it is being delivered regardless of any work or service in return. It is freely disposable, with no need to re-invest parts of the profit to keep income flowing.

1. Where the state is being sponsored externally (for example, only 8% of state income is from domestic revenues in Afghanistan), state bureaucracy tends to gain political autonomy, leading to a state-class. The political pressures of the principle 'No taxation without representation' do not apply, as there is no taxation in the first place.
2. Within the state, actors start to behave according to a rent-seeking-logic rather than as economic entrepreneurs. The public sector offers the most attractive employment. In order to incorporate potential political opposition, much of the middle class finds jobs within the bureaucracy, resulting in a 'public sector bulge'.
3. Politically organized groups present a threat to the state; hence, these groups gain most, because they receive state funds in an attempt to persuade them to comply. This leads to decreasing political innovation, as pressures to adapt to new problems are being neutralised and co-opted, rather than answered.

These and other characteristics of a rent-state can facilitate a parallel existence of state and violent actors, neither of which able to seriously jeopardize the other's sphere. In Afghanistan the narco-exporters receive most of their profits from rents. This mirrored sphere of illicit rent-structures leads to persistent power-sharing between the state and narco-actors. All involved accept the situation: the state, because it can fulfil its international role, raising funds from the donor community and securing its own survival; and the narco-actors, for whom the situation is also stable, as they can make use of the emerging infrastructure, and widespread corruption and negligence allows them to thrive. The international actors gradually start to agree to less strict enforcement of human rights and the rule of law, largely because they want the country to be stable. The result is a *de facto*-acceptance of nominal democracy, but actually the influence of the populace on governance structures is decreasing.

¹ This also implies a privileged position to *give* information, which in turn improves and stabilizes the government's international standing, for it can present itself as the only actor able to react to the strategic demands of the international community.

Introduction²

Research into rentier states in recent years has amounted many insights in the functional links of rent structures. One of the central findings is that rentier states are a special feature of developing societies, but impede their very development process (see Elsenhans 2006). If development³ is assumed to play a supporting role in a post-conflict setting and during state-building processes, then quick aid inflows and sustainable development support would be first choice to steering post-conflict countries clear of the conflict trap: ‘The conflict trap is a tendency, not an iron law. Middle-income countries have a lower probability of falling back into it’ (Collier 2004: 106). Hence the risk of regressing into conflict would be directly linked to the poverty level of a country and the accrual of foreign money would have a decisive impact within the post-conflict space. Of course, the assumption that economic improvement leads directly to less violence falls short of reality, as Klingebiel (1999) has shown for several countries. In the post-conflict space, the clear decision in favour of one actor (the ‘government’) leads to development support and/or high levels of aid flow; this external influence can also have negative effects, including the fact that ‘development cooperation measures may encourage self-enriching and corrupt clientelist structures at national, regional and local level. [S]ome development cooperation projects and programmes helped to increase disparities (e.g. among ethnic groups) by supporting, for example, infrastructure measures which were being implemented by the partner government and entailed the resettlement of certain ethnic groups’ (Klingebiel 1999: VI). Especially in a case like Afghanistan, where the international community pressed ahead with the process of political reform, it has done and, in fact, can do little to substantially influence the resulting regime. With core stateness only recently established, the security paradigm appears to outweigh potentially destabilizing efforts to enhance democratization or political openness. In this niche, rentier state structures evolve, a special form of aid dependency in the age of sub-state security threats.

² Field research for this article has been conducted in Afghanistan during April – June, 2006 with kind support of the Konrad-Adenauer-Foundation’s country office in Kabul.

³ As expected, there is no definition or consensus about what ‘development’ actually means. In the context of a global interventionism, which increasingly structured international politics for the last decade, it is being understood as development of societal, political, economic, governance and security structures. In the interventionist’s view, these structures will at some point fulfil the duties that are attributed to modern statehood: monopolization of violence, self-sustaining finances of an impartial administration and stable governance over a given territory. This notion of development is being augmented by aims of human development, including women’s rights, education, health care etc.

Theoretical assumptions: rentier states and rent-seeking

In the following section I will outline the main assumptions about rents and rentier states and the connected politics of rent-seeking. Several of the main assumptions are applicable to Afghanistan and they help to explain some of the obstacles to economic and political development in that country. The rent is defined as an income with no corresponding investment or working activity (see Beck 2002: 103), therefore clearly it is separate to capitalist production. While profits from capitalist activity require a certain amount of that profit to be re-invested in order to secure future profits, rent flows allow for a substantially lower or no reflux of resources. From a development point of view, it is significant that rents do not trigger a circle of investment and subsequent re-investment.

There are different types of rent, funded by various sources. The ‘classical’ case of an economic rent is the oil rent, which derives from the vast difference between the cost of production and the market price⁴. The economic rent is defined as any rent derived from natural goods which are pricey because they are rare. Despite its scarcity being artificial due to its illicit character, drug rents also qualify as economic rent.

Another type of rents is political rents, which are paid through money transfers. Classically, political rents were paid by the superpowers to support and stabilize politically acceptable regimes in developing countries. Also, they were derived from the oil rents as transfers to Palestinian organizations.

A third type is migration rents, where a part of (labour) income obtained in other countries is transferred to family/friends. In this case of course, the income by the rent donor is based on investment and/or labour (as it is with political rents being derived at least partly from income taxes in the donor countries). Although this is of great importance for the well-being and physical survival of many people in Afghanistan, this type of rent can hardly be quantified.⁵ Although remittances supposedly are one of the important sources of income for many Afghans, as many families fled the country and are now in the position to support their kin (see Savage/Harvey 2007: 10), they are not put at the centre of this paper; as the migration rent is distributed widely and hence does not put a certain segment of the populace in a

⁴ Estimates give a number of retail prices at over 80% of production costs even during times when oil prices were under pressure in the 1980s (see Beck 2002: 105). Increases in the price for rigging technology, transportation and labour costs notwithstanding, at times of surging energy demand, mainly in liquid hydrocarbons, the span of rent is unlikely to have fallen below this rate in recent years, at least in countries where the accessibility of oil fields has not decreased significantly.

⁵ Much of the funds are presumably transferred through the *hawala*-system, which allows quick money orders by paying a sum to a trustee in one country and have it paid to the remittee in another; often there is only one phone call needed for the transaction, fees are low, and there are no records kept. Of course, there is no statistical data as to how much is being transferred. That is why illegal groups like to use the *hawala* as well (see Napoleoni 2004: 205).

privileged position, it does not lead to the emergence of a politically influential rentier's group.

Political and migration rents originate in labour, either by migrant workers or in taxes of citizens which are then transferred to other political entities. While being connected to capitalist production, these transfers still qualify as rents. Since the defining criterion is the recipient, who does benefit from this profit without having to invest part of it, it is irrelevant whether labour and production are the source of this money.

One interesting feature of rents is that since there is no need to re-invest part of the money, it can be disposed of freely. Not only can it be used for consumption, but quite a share of the money needs to be used for cultivating relations with donors. These networks are not productive in the capitalist sense of the term – although they help to secure future rent flows, they do not feed a accumulative production circle. The recipients of rents make large investments to install and maintain socio-political networks – which constitute a form of corruption (Beck 2002: 109). From this perspective, it becomes clear why rents may be normatively problematic for the globalized donor-community. Even if one does not agree that western governments disregard their citizens' property rights when financing aid, as Nozick (2006 (first 1974)) and Bauer (1981) contend, it still poses a problem for western governments who may have to justify financing 'bad practices'.

The effect of the recipient's investment in good donor relations is that state administrations direct their efforts away from providing public goods. In developed western societies, the state is being funded by the financial contributions of citizens. Although taxes are usually not earmarked for certain purposes, taxation provides for political control and voter influence. The American independence movement's slogan 'No taxation without representation' means precisely that the legitimacy of government decisions, which are most extensive where spending is involved, depends on participation rights. Paradoxically, by funding rentier state structures, the international donors acquire participation rights that are being withheld from the Afghan people. The state agencies, being responsible to the donors, hence develop better and closer relations to outside actors than towards their own constituency. Unless loyalty towards a political entity is based on ties such as kin or charisma, its legitimacy consists of procedural and functional (generally distributive and re-distributive) aspects (Schlichte 2005: 180); it decreases when both aspects are disparately balanced, or disconnected, respectively. The reasons why government agencies behave the way they do in the role they find themselves in – as intermediates between a global governance movement and citizens, rather

than hierarchically superior guarantors of personal safety – can best be explained by reverting to assumptions of rentier theory's counterpart, rent-seeking theories.

While it is being lamented that a great share of funds bypass Afghan government organisations for fear of their lack of institutional capacity, corruption or mere self-interest in implementing projects on the donor's side (see Kühn 2005: 36), the amounts actually reaching the administration trigger rent-seeking activities. Rent-seeking is originally an economic term, defined as 'use of resources in actually lowering total product although benefiting some minority' (Tullock 1989: vii). From the minority's or individual's point of view though, rent-seeking behaviour is totally rational: it aims at raising the person or group's share of a given amount of funds at the cost of others, who might likewise try to participate. Just as someone might aim to profit through investing in business endeavours, rent-seekers try to increase their personal income. The number of people involved is limited, so rent-seekers will try to monopolize their role as counterparts to the international donors. Still, compared to internal rents, the bonds between national and international parties are rather loose (Beck 2002: 119); classically, in the case of oil rents, it used to be the state profiting most from trade, as it 'implies a relationship with the rest of the world, it tends naturally to fall within the responsibility of the state' (Luciani 1990: 69). This argument will be discussed in more detail later, as it constitutes a challenge towards rent theories to look at drug rentiers just as one may analyse a state and its personell.

If it is the state and its representatives benefiting most from external relations, why is it that the bonds between them and international donors are comparatively weak? To answer that question one must investigate different levels of rent-seeking. Although rents are not being used as productive capital, there is apparently little benefit to the public or economy when the rent is first distributed to government officials. That, in turn, does not mean that individuals cannot profit by trying to acquire a share of the rent on their part. Elites try to push into the public sector to get their hands on this money, which leads to the development of a structure of clientele. The upper echelons of administration bodies also try to secure and reinforce their influence by keeping lower strata dependent on them – personally, and through rent payments. Also, people bribe themselves into positions that may give them a reliable source of income in the form of bribes from others at even lower levels. This constitutes a structural incentive for corruption. In line with economic reasoning, this corruption within privileged state positions can be viewed as a form of taxation (see for example Flatters/Macleod 1995).

This exemplifies two points: First, it shows that rent-seekers need to make quite an investment in order to get access to funding, although this is not an investment in a capitalist cycle. Also, they may have to make renewed payments to higher levels in order to stay in office or keep a license, as competition for offices or posts begins to intensify. Second, this system, while vaguely securing rule for an emerging state class, tends to develop vertical links rather than horizontal ones. Equal levels of ministries tend not to cooperate in order to immunize themselves against (public) control, criticism and charges of inefficiency, as well as cross-ministerial influence. This, in turn, aggravates the state's inability to effectively provide public goods that it so urgently needs to bolster its legitimacy. The bureaucratic state class is increasingly able to monopolize the financial inflows and at the same time to corporatistically avoid controls by other organized interest groups. The result is the maladministration of government funds (Elsenhans 1981: 24f.).

Historical roots of rentier structures

Afghanistan has been described as influenced through rents from its earliest phases of state formation. This may be explained by the strained connection between modern stateness and tribal rural society. After the British Empire ceased to be the leading power, the USA tried to strengthen influence in Central Asia. In an environment of accelerating rivalry between the Soviet Union and the West, it seemed all the more important to forge 'close political, economic and military ties with Pakistan, Iran and Turkey, which eventually led to these states being incorporated into western-sponsored regional alliances' (Saikal 2004: 118). Afghanistan kept its distances for several reasons, one of which was its government not being convinced of the United State's commitment, and so there was no reason to complicate relations with the Soviet Union. An equally crucial factor was its tradition of neutrality in international relations. This was particularly important in terms of Pakistani-Indian relations, which had a major influence because the Durand-line, which separates Afghanistan and Pakistan, never gained international recognition and remained an unresolved issue (see Wilke 2005). Mohammad Daoud, Afghanistan's Prime Minister from 1953 and driven by a strong Pashtunistan ideology, pressed for a strong centralized state and modernized society. Miscalculating the United States' policy of limiting aid to countries that shared its anti-communist stance, he failed to mobilize substantial support for his political ambitions in Washington. Instead, clinging to his modernization ambitions, he turned to Moscow for help: 'While fearing US encirclement and the probability of Washington's establishing military bases in Iran and Pakistan, the Khrushchev leadership welcomed Afghanistan's request'

(Saikal 2004: 123). Soviet influence increased rapidly in the following period, as the military became Soviet-trained and -equipped, but Soviet influence was also vast in administrative, educational and technical matters, even if it was not as pervasive as in the military. Over the years and ahead of other nations involved (the USA, France, and Germany), Soviet influence gained firm ground on the base of loans and assistance. These were, in turn, exploited as a source of rent to state structures, lowering Daoud's dependency "on administrative control or penetration of society" (Rubin 2002: 75). Despite this apparent weakness on fiscal issues, 'Daoud was the first Afghan leader ever who managed to elevate the state to the heights of a relatively autonomous institution capable of imposing its rules of behaviour on the bulk of the populace' (Saikal 2004: 126). Leaning towards Moscow, he intended 'to induce a reluctant Washington to attach greater importance to Afghanistan, [...] to accord it substantial aid as it had requested' (Saikal 2004: 127) – a clear rent-seeking strategy pursued at the highest levels of government.

During that time, a class of educated citizens developed: first, because foreign funded schools were being founded and students joined schools and university faculties; and second, because many received scholarships for education in foreign countries, for example in Germany, the United States, or Egypt. The stayed marginalised within the society, being perceived as having culturally distanced themselves from what was seen as Islamic values – also, the literacy rate was as low as 10 % of the population (for women the figure was 2%; Rubin 2002: 70), so there was little chance for them to start a dialogue about social values. In the absence of central rule, in the distant regions autonomous power structures had emerged which were now even strengthened by the trickling down of funds coming from the center, as the state tried to solidify its stance against the tribes. At the same time the newly educated elites were kept away from real participation in power processes. Following Daoud's coup d'état 1973 (he had been forced to resign in 1963, but was not absent from politics during the intermittent decade), the educated class, together with Soviet-trained military, tried to get a hold of the state (Rubin 2002: 74). While historically revolutionary movements had always consisted of an educated avant-garde, in Afghanistan this group, educated elsewhere and accustomed to requesting money from foreign sources, relied on foreign support more than on mobilizing a critical mass of domestic political actors. In other words, preconditioned by the 'structure of opportunities', the 'rentier state produced rentier revolutionaries' (Rubin 2002: 81). During the democratic phase in the 1960s the state sector had swallowed the educated class who, with rent flow decreasing towards the end of the decade, now was in danger of ceasing to be able to benefit from the rent. At the same time, democratic procedures had

degenerated into mere façade, and the level of the state's legitimacy – in terms of both its procedural and functional aspects – was at its lowest. The coup was a logical consequence. Daoud's programmes again were largely funded by foreign aid⁶, and consequently he tried to diversify his base of support by strengthening ties with the oil-rich states of the Persian Gulf. By reducing his dependence on Moscow, he was able to distance himself from the communists, who had played a vital role in keeping his government in office. Finally, Daoud lost their support and started purges against them. Moscow, being forced to choose between losing influence (and a fair amount of money already invested in Afghanistan) and stopping the sidelining of communists in Afghan politics, opted for supporting the PDPA (People's Democratic Party of Afghanistan) against Daoud. Finally, he was removed from power in a bloody coup in 1978, although the Soviets were not involved in the coup. Compared to leftist groups in other countries, the communists did have a smaller popular structure, but sought to compensate for this flaw by pressing ahead with Daoud's policy of quick and thorough modernization. Additionally, they found a functioning rentier system in Afghanistan.

The counter-elites of Daoud's elite-based coup had been formed both in the country and in exile, when the political programme of modernization was discerned as running counter to traditional values (garnished as Islamic values). This, of course, did not change with the communists taking over government. Influenced by the Muslim Brotherhood and the writings of Sayyed Qutb, they saw Islam as the source of moral politics and the only legitimate power base, but they could likewise make use of foreign funding. The string of events has been well reported elsewhere, so there is no need to further elaborate on the history of the Afghan war(s). The important point here is that in Afghanistan, rentier structures had been in existence long before the war crippled the country and many of its people – and that, indeed, many of the rentier state structures recovered faster than administrative or political capacities.

Political Rentier-structures in post-Taliban Afghanistan

In 2001, whilst the fighting that led to the Taliban abandoning Kabul to the militias of the so-called 'Northern Alliance' was going on, plans were already being drawn up for a post-war Afghanistan. In talks held in Bonn, Germany, and organized by the United Nations with strong support from the German government, the participating groups, including diaspora and mudjaheddin-formations of the victorious Northern Alliance⁷, agreed to the appointment of an

⁶ his development plan for the period of 1976-83 at US-\$ 3.850 million, 2/3 of which was to be financed by the Soviet Union, see Saikal 2004: 177.

⁷ The United Front for the Liberation of Afghanistan, better known in the West as Northern Alliance, in late 2001 consisted of Burhanuddin Rabbani's Jamiat-e Islami, Jumbesh-e Milli Islami of Rashid Dostum, Hezb-e Wahdat, an alliance of Shiite clergy, of the Shiite Harekat-e Islami of Asef Mohseini as well as the Sunni-

interim government. Its main tasks would be to organize and hold a 'Loya Jirga'⁸, a semi-traditional 'Great Council', which would legitimize this plan and elect an Interim Government. Following this Loya Jirga would be another, 'Constitutional' Loya Jirga, which would finalize a draft constitution prepared by a Constitutional Council. The last steps would be presidential and parliamentary elections to conclude the state's reconstruction process, which by then would have a Western-style liberal political system.

This raised the question of dealing with an independent government: in contrast to earlier interventions, such as East Timor, Kosovo or Bosnia-Herzegovina, where UN- or other international missions were at least partially in charge of administrative tasks, in Afghanistan a sovereign government ought to be leading the reconstruction process from the very beginning. The international community recognised the risk that it might lose popular support for the project if it appeared to be all too foreign: 'to be sustainable, institutions of good governance must be Afghan; a transitional administration run by Afghans will be "far more credible, acceptable and legitimate" than one run by the UN' (Johnson/Leslie 2004: 199). Afghans who were educated or had lived in the west as refugees were still being seen as foreigners in Afghanistan. Also, the so-called 'light footprint' approach, which aimed to minimize the number of expatriate personnel, was never really adopted but was mere lip service. After identifying the problem of conflicting organizational interests, an approach was found that tried to integrate all the vested interests within a coordinated body; this integrative strategy then should have been strengthened by the unitary dissemination of aid and development funds through a new organization which still had to be founded (see *ibid.*: 199/200).

The inherent paradox of the international community's policy, namely to place the responsibility for its own political aims in the hands of the Afghan government, remained unresolved. The Afghan state constituted a political space that incorporated rent-seeking by the elites, counter-terrorism and stabilization policy by the international actors, and day-by-day struggles for survival (with a dash of legitimizing of that space) by the people. Classical features of stateness (see Kühn 2007), like internal finances, monopoly of the use of force, and especially territoriality, were absent. The western donors still clung to the image of stateness as it developed in Europe – at least as an ideal for a distant future. In this situation it did not seem appropriate to confront the warlords, who subsequently started adapting to the

wahhab Ittehad-e Islami of Rasul Sayyaf and, finally, Gulbuddin Hekmatyar's Hezb-e Islami (see Berger et al. 2002: 123).

⁸ The Great Council historically used to have little relevance for the central state – in this regard it would be an 'invented tradition' (see Noelle-Karimi 2002).

situation by either co-operating with the foreign forces in the fight against those labelled as ‘terrorists’, or used the politically volatile process to position themselves in the political landscape. Neither did the international community make a move to clear up the question of the stationing of foreign troops and their task in Afghanistan. Since the coalition had been involved with the Northern Alliance against the Taliban, these groups had a head start in the new Afghan state, in spite of the fact that their reputation was stained by human rights violations and war crimes similar to those of the regime they replaced.

Although, the reservoir of able and educated personnel was small, a state class quickly formed as local capacity was urgently needed. Northern Alliance personnel largely filled the ranks, as they were the coalition’s main partner during the first phase, but attempts were also made to involve ‘broad based’ groups to balance ethnic issues (see Schetter 2003: 579ff.). Among the state-class were Afghans who had been educated abroad - either in the West or in neighbouring countries such as Iran, Pakistan, or India - and supported the development of a Western-style state. Many had their salaries paid by the Afghanistan Reconstruction Trust Fund.⁹ Also, there are elected members of the state class, who partly used elections to legitimize existing power structures by falling back on religious or tribal networks (see Wilder 2005: 16ff.). The electoral system of ‘single, non-transferable vote’¹⁰ (SNTV) helped candidates holding traditional leading roles or were closely affiliated with them. This reproduced societal structures in Parliament, which through its aid dependency is obliged to spearhead a political and societal modernization attempt. In the absence of party- or other institutionalized political structures, some independent candidates did win seats, but in general found it difficult to mobilize sufficient support despite the voting system which ideally allowed independents to run against established power bases.

Although the political landscape in Parliament is fragmented (see Ruttig 2007 and Khalatbari/Ruck 2007: 79), political formations are in the process of establishing themselves. If these fairly volatile coalitions find their institutional weight, they might be a powerbase for properly organised parliamentary groupings, although one must not forget that the Afghan Parliament’s position is a rather weak one in the constitutional Presidential system. Generally, the aim of creating a ‘broad based government’ was nominally successful, as all ethnic groups

⁹ US-\$1.4 billion was administered through the Afghanistan Reconstruction Trust Fund by September 2006, of which US-\$860 million was channelled to the Afghan Government to pay wages, but also to cover investments (see World Bank 2006).

¹⁰ The SNTV allows only single candidates to run for office; for a given electoral district, seats are reserved for the first few candidates. That means for example, that the first of three may have 90% of the votes, while the second and third might win seats with only 3% and 2% respectively. Because candidates are not allowed to run on a party ticket, there is no incentive to politically organize. That, in turn, means that Parliament is comparably weak, as it is only made up of ad-hoc coalitions rather than organized interest groups (see Ruttig 2007: 41ff.).

and most organized interests are present in the government. Still, the bonds between political elite and populace are not very strong or, in the peripheral areas, hardly developed. All this constitutes structural, ideological, and procedural impediments putting the president in charge of reconciling both Afghan and donors' interests.

The President is the focal point for international funding, and Western sponsors will approach him whenever there are developments that run counter to their expectations. Whilst they do not complain about a gradual hollowing out of democratic values, rather public cases require him to act. One of the most visible cases in point was that of Abdul Rahman, an alleged convert to Christianity who was in danger of being executed according to Sharia law in 2006 (see Ladurner 2006). In order to keep the donors happy, Rahman was sent to Italy where he was granted political asylum – the donors' political influence outplaying the nominally sovereign state's judiciary in the name of human rights.

The state lives off external resources, which means that its incumbents may act autonomously as far as vital interests of the donors are not ignored too obviously. According to the logic of the rent, they will try to behave in a way that ensures they will continuously receive external funding. Internally, the state class will try to form political and economic dependencies so as to stabilize its position. Externally, the specific nature of the international system, which calls for the maintenance of core functions of stateness exercising sovereignty, demands that a state class exists and tends to strengthen its autonomization (Rubin 2002: 12). The president is the person who represents the state on the international stage and in front of the donors. At the same time his state apparatus is unable to rule the country effectively. Mainly the funding of interest groups secures their consent. Usually the best organized groups able to mobilize large constituencies are most able to acquire shares of the rent. Whether consciously or not, groups in opposition to the state may follow a rent-seeking logic also by fighting the state: unless they fight to eliminate any kind of state, they will start to develop some kind of relationship towards it when rents become available. The state class has an interest in depoliticising groups by pampering them with money and posts. This policy is being put in practice partly by systems of patronage, and partly through repression (Beck 2002: 122). This works in various ways: the middle class will be incorporated into the public sector, and higher strata of society will get licences (e.g. for policing certain areas or importing certain goods), or be 'awarded' with development projects (see ICG 2006: 9). It becomes clear that the condition of being 'well organized' means that individuals, especially those who are in the lowest classes and geographically distant from the power centres, have little chance to receive funds out of the rent.

Any transfer of funds to promote the political status quo qualifies as political rent in this regard. So first of all one may need to ask whether or not the Afghan state can be classified as a rentier state with an identifiable state class. As has been shown, an emerging state class can be to be identified, which in itself will further consolidate its position. For example parliament may change the voting system, which is unfavourable for MPs because it makes re-election subject to short-term changes in voter support and prevents the evolution of a party system with reliable structures. Also, there might be a long-term delay before the next round of elections, as the voting system is too complex (and hence too expensive) for Afghanistan to support alone. By agreeing to this system¹¹, international donors had to accept the financial and logistical burden of supporting it, following the first nationwide poll in 2005 – otherwise they would be responsible for these elections being a one-off event.

Afghanistan has an emerging state class and receives only 8% of its funding from domestic revenues. Being a rentier state with a high degree of autonomy, this raises questions as to what kind of a state it is. In the terminology of Rubin, the availability of foreign funding, weapons, and training leads to a state's 'overdevelopment' in respect to society (Rubin 2002: 12)¹². The apparent paradox of a 'strong state' can be explained only in relation to the society it rules: it can act autonomously, as it does not owe the people any re-distribution of taxes, and – where there are several donors or donor groups – it does have some space to avoid tight monitoring by these donors. This may be because the donors have limited influence, but in the specific Afghan context it could also be a result of the state finding itself in a position where it has to compete with another group of rentiers: those benefiting from the economic drug rent.

Drug-rentiers and their position towards the state

The central argument of this paper is that competition for power and influence, and subsequently for securing resource inflow, does not lead to a fight for the dominant position within society¹³, but instead facilitates co-operation between both beneficiary groups. In the long term this leads to a merger of both 'spheres' of rent recipients. Both groups, or spheres, benefit from this co-operation, because they attain legitimacy based on each other's existence. In other words: While the drug trade is looming large the necessity of a strong administration

¹¹ The European Union, for example, tried to lobby for SNTV not to be implemented, but still agreed to finance the elections under this system; see Kühn 2007: 155.

¹² See Beck 2002: 96ff. for a discussion of several types of classifications for 'strong' and 'weak states'. Afghanistan is a strong state in neither a neo-Marxist sense, which requires a firm or even dominant position in the world system, nor by 'effectively permeating its territory' (Beck 2002: 97). Rubin's argument confines itself to seeing a strong state solely on the grounds of whether it is able to act autonomously, regardless of any external dependencies.

¹³ For example by these actors permeating societal structures more thoroughly or mobilizing resources.

is apparent, while the existence of state authority makes high prices for illicitly crossing borders plausible. At the same time, this mutual vindication hinders or even prevents political and economic development.

In Afghanistan, large parts of the population depend on the drug business¹⁴ – it is, of course, not only a criminal minority who make profit from the drugs. Other beneficiaries include farmers and their families, who make a living from harvesting opium poppy, work that is very labour-intensive. Programmes against the drug trade are in themselves open for rent-seeking, as the only option available to farmers who wish to exclude their land from eradication is to pay those in charge of the programme (see UNODC 2006: 6). The burden is biggest for the poorest and least organized, as they are least able to secure their property and have few outside options in terms of land, capital, or know-how (see UNODC 2006: 9). Others are involved in providing security for the poppy farms, as well as for transporting the raw and refined opium. Finally, some make money by organizing export to its final destination – mainly the streets of Europe. Providing detailed figures in relation to this is problematic: first, militias usually are not there for the sole purpose of securing drugs. Second, profits are disparate, as few earn much and many earn little. This relationship between the rich and influential and the farmers is at the same time a function of rule – either within clan-structures or by loans – because farmers are often subject to the exporters’ decisions to either increase or decrease production. Hence, they can also influence the market. Furthermore, about 20-30 families¹⁵ control the outside trade, and they gain the most, since the drug rent is being valorised the closer trade comes to the borders (UNODC 2006: 11) due to the risk of detection. This shows that only a small number of people have real influence on the drug business.

Accusations against parliamentarians or civil servants, who are said to be supported by ‘drug dealers’ are often overstated. While their relatives in the provinces will almost certainly have something to do with poppy farming, by accepting family support those in the administration should not necessarily be seen as being ‘involved’ by association. Low wages or slow payment means that it is not unusual for civil servants or policemen to depend on their families for financial support. For the police in rural areas the choices are pretty simple: in order to avoid violent confrontation, they can either look the other way for money or become active participants. In interviews, ISAF-soldiers reported that local police liaison officers in

¹⁴ In 2007, 3.3 million persons were involved in opium cultivation only – that is 14,3% of the population. It becomes clear that the number living off drug revenues including traffickers, refiners, militias etc. consists of several millions; see UNODC 2007: 10.

¹⁵ Expert interview, Kabul, May 26, 2006.

northern Afghanistan led patrols away from those places where big heroin transactions occurred.¹⁶ As elsewhere, the rural police are part of a social network of clan affiliations and loyalties.

Synopsis: Rent structures hinder state-building

As this article has demonstrated, complex post-conflict situations facilitate the development of rent structures. International intervention helps to establish the political space of ‘modern’ stateness. It ought to monopolize the use of violence, but in order to achieve this it must first secure its own legitimacy. This legitimacy it needs to gain by fulfilling both its distributive and re-distributive obligations – although clearly welfare-state politics is not the only source of legitimacy – but this is being hindered by the state’s inability to permeate the post-conflict space politically and territorially. In other words, in most of the peripheral regions there is simply no state “taking place” in terms of monopolizing the use of force, applying regulation, or social interaction. Since administrative potential is limited and there is hardly any taxation, the rent-dependency is steadily being reproduced.¹⁷

It has become common knowledge that the existence of the Afghan state is dependent on the presence of foreign troops. This security related argument is precisely why the Afghan state class can easily secure steady inflows of political rent. The Afghan state provides the post-conflict space for the international actors’ involvement, its position being that of an intermediate. In this way the Afghan state has become an indispensable agent placed between both Afghan politics and internationals. In order to elevate the state from being in a position where it competes for power with local actors to a higher level where it sets the rules for conflict solving, the international community - not only in the case of Afghanistan - channels know-how, legitimacy and financial resources into the country. By sending military as well, it makes a clear choice for strengthening the state and its holders. It provides an externally produced monopoly on the use of violence, which in western states is the state’s very own realm. Doing so, the international intervention requires and supports the form of state it ought to transform to independent, truly sovereign stateness.

¹⁶ Expert interview, Termez, June 3, 2006.

¹⁷ The border regions of Pakistan have a similar problem, in that the state also patronizes local elites to pursue its own ends. This likewise triggers rent-seeking activities, and all of their undesirable economic side effects. One common practice to gain the support of local elites is to supply them with licenses for cross-border trade, ‘resulting in a wide income and resource gap between those with access to the administration and those deprived of it’ (ICG 2006: 9). While the borders are porous, hardly controlled or disputed, this puts them in a privileged position whilst not hindering smuggling on the part of other actors, hence ‘causing significant revenue losses in uncollected duties and taxes’ (ibid.). The usual role of borders in defining political spaces is significantly limited in this context.

Aside humanitarian concerns being raised more prominently in the course of the international involvement to secure public support, the international community is engaged in state-building primarily for security reasons. The ‘writing on the wall’ of a return to chaos and Afghanistan becoming a breeding and training ground for terrorists means that resources continue to flow.

In addition to the well known effects of increasing the autonomy of political elites (which runs counter to democratization efforts) or inflating the public sector, there are other interesting phenomena: local elites become experts in at least nominally keeping the standards of the donors in order to secure future funding; they try to ensure their interpretation of the political process is accepted in order to avoid political pressure; and they develop an interest in discursively upholding the precarious security situation, because stability would undermine their privileged position as the prime contact and recipient of funds and thus jeopardize their power.

In Afghanistan the government is becoming increasingly autonomous and autocratic, which the donors either accept for lack of alternatives, or even desire, because they hope President Karzai and the whole state-building programme will ultimately bring stability. In this habitat the different rent beneficiaries gradually merge: the development funds, which the political elite successfully manages to request, and the stabilized frame of stateness on the international stage help the drug economy. As long as there is some kind of state, which the drug rentiers can permeate for their own interests through bribery or political participation, it provides space for political manoeuvre and privileged access to information. It also sorts out relations with neighbouring states that have no vital interest in or ability to counter the drug trade, since they are mainly transit countries.¹⁸ In the end, the drug rentiers have little interest in substantially changing the situation: a consolidated state would receive less aid and hence need to tax its population – one reason why it would have to move against the drug economy. On the other hand, if the state were to disappear and chaos and civil war re-emerge, the transaction costs for the drug trade would rise – which, again, is not in the interest of the drug rentiers. As they are power holders and power brokers, the state is essentially forced to work with them; paradoxically, they co-operate with the establishing state in order to remain competitive with it. The parallel existence and gradual merger of groups of rentiers hinders the development and stabilization of stateness, which the international community craves for so desperately.

¹⁸ This is not to say, of course, that countries like Pakistan or Iran do not have huge addiction problems of their own. At the moment, however, the social costs do not outweigh possible advances in border security and the like.

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