

**Asia-Pacific Programme
End-of-project Summary**

Afghanistan scenarios

**Challenges and ways forward
for engagement in 2022–23**

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Independent thinking since 1920

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Introduction

About the Afghanistan Strategic Learning Initiative

This report draws on a series of events under the Afghanistan Strategic Learning Initiative (ASLI). The initiative has been convened with the support of the UK Humanitarian Innovation Hub and the donor, the UK Foreign, Commonwealth & Development Office, in partnership with the Center for Global Development (CGD), Chatham House, the Institute of Development Studies (IDS), the Overseas Development Institute (ODI) and the Organisation for Economic Co-operation and Development-Development Assistance Committee (OECD-DAC).

Between December 2021 and February 2022, ASLI convened four workshops led by each of the partner organizations in turn. The workshops brought together senior leaders, decision-makers, experts, researchers and practitioners to discuss what comes next for foreign aid in Afghanistan. The lead organization for each workshop published an accompanying paper, of which this is one.

The **first workshop**, led by Chatham House on 17 December 2021, explored four potential scenarios for Afghanistan's political, economic, and security trajectory over the next 18–24 months. The **second workshop**, led by IDS on 28 January 2022, explored need and vulnerability, tying the drivers of these conditions to the scenarios outlined by Chatham House. The **third workshop**, led by CGD on 9 February, assessed options for future aid instruments and mechanisms to address the financial crisis. The **fourth workshop**, for which a background note was distributed to participants, was led by ODI on 28 February and focused on options for collective action.

Following the workshops and papers, ASLI published a **synthesis paper** that summarizes options for effective international engagement with a changed Afghanistan.

ASLI seeks to leverage the collective knowledge and experience of leading global think-tanks working on Afghanistan and aid issues. Our goal is to make a coherent and evidence-based contribution to emerging and ongoing work addressing development and vulnerability in Afghanistan.

Background

This document considers the unfolding situation in Afghanistan as initially envisaged in November 2021, and sets out four potential scenarios for the country over the ensuing 18–24 months. These scenarios were developed as part of the Afghanistan Strategic Learning Initiative (ASLI), a cross-think-tank project led by the UK Humanitarian Innovation Hub. ASLI seeks to leverage the collective knowledge and experience of leading think-tanks working on Afghanistan and aid issues. By so doing, it aims to provide a coherent and evidence-based contribution to emerging and ongoing policy debates addressing development and vulnerability in Afghanistan at a time when the country faces multiple crises and when the *de facto* authorities, the Taliban, face international sanctions.¹ The scenarios were developed with a view to facilitating a joint examination of likely policy impacts – including humanitarian and beyond – of developments in Afghanistan and potential international responses. The papers by the other ASLI partner organizations discuss these elements, and this document should be read in conjunction with them.

Crucially, a number of the factors that will shape and determine Afghanistan's future are still unknown. While the Taliban regime has been in power since August 2021, many questions remain in relation to its future. In part, these stem from the need to transform an insurgent group into a governing authority. In the absence of a formidable common enemy beyond Islamic State–Khorasan Province (ISIS–K), the heterogeneity of the Taliban is also a major consideration. The Taliban is a multi-factional coalition, including southern and Qatari groupings as well as the Haqqani network. The extent to which local Taliban groups share revenues with and follow orders from the leadership in Kabul or Kandahar is uncertain. Whether this coalition holds together or fragments will have a crucial bearing on Afghanistan's future. The Taliban's response to indigenous protest movements and public resentment could also challenge regime unity.

It also remains unclear how the Taliban conceives of government. The first period of Taliban rule (1996–2001) was characterized by a singular focus on the implementation of 'justice', rather than the provision of social services such as health and education. This is largely because the Taliban did not inherit the institutional blueprint of a state in the 1990s in the same way they did in August 2021: the modern Afghan state includes functional, if limited, healthcare and education systems. Thus far, there have been mixed signals regarding the extent to which Taliban thinking has evolved over the past two decades, despite obvious changes in outlook in the population at large.

While humanitarian assistance seems likely to be tolerated under most scenarios, development assistance is more contentious, in terms of both demand from the Taliban and supply from potential donors. The way

¹ Taliban' is a loose term that describes the *de facto* coalition led by members of the Taliban movement in Afghanistan. It includes members of the Haqqani network affiliated to, but not controlled by the Taliban, as well as appointments from other factions. The *de facto* government describes itself as the Islamic Emirate of Afghanistan.

the Taliban came to power in 2021, and their policies and practice over the preceding 20 or more years, have made the provision of development assistance politically challenging to governments in most Western donor nations. As long as the issues of the Taliban's legitimacy and international recognition are unresolved, international assistance beyond humanitarian and emergency assistance will remain contentious.

An additional difficulty is that the Taliban regime sends mixed signals on matters of concern to the international donor community that also relate to the fundamental rights of Afghans. Positive statements regarding, for instance, girls' education are followed by announcements of restrictions. Ascertaining the direction of travel of the *de facto* authorities on many issues remains a speculative exercise.

Developments in Afghanistan will not happen in a vacuum. Regional and international developments beyond the country itself will also affect the scale and manner of external engagement. Nevertheless, the positions and actions that the Taliban regime takes will heavily influence the nature of external intervention.

Scenarios and methodology

Given the extraordinary challenges post-August 2021 and the collapse of many institutional partnerships, real-time research on Afghanistan is a difficult exercise. Ordinarily, scenarios would be developed through extensive consultation and testing of assumptions, with observed realities on the ground. However, the pressing timescale and limited access make such an approach difficult. The scenario exercise, therefore, was developed through an iterative and interactive consultation with researchers and experts involved in ASLL. It was built around five issue areas assessed to have significant impact in shaping decisions on international assistance to Afghanistan: (1) the nature of internal – Taliban – governance; (2) the regional environment and international relations with the *de facto* authorities; (3) economic developments; (4) the security and crime situation; and (5) population needs and the human impact of different trajectories.

These themes were considered in the context of four potential scenarios: Stuttering, Imploding, Exploding and Progressing. The envisaged scenarios were discussed and refined at an expert workshop, which Chatham House led, on 17 December 2021. They form the basis for subsequent examination by the project of priority needs and vulnerabilities of Afghans, as well as options and mechanisms for the delivery of aid in Afghanistan. It is important to emphasize that this exercise does not seek to identify more or less probable scenarios, but to set out a range of possible pathways.

Scenario 1: Stuttering largely posits a continuation of the current situation. This scenario suggests that managing its internal factions will become a priority for the Taliban, at the expense of the general population. Aid provided under this scenario could be monitored and evaluated, potentially even in areas

previously out of bounds to aid providers. However, there are only partial indications that the authorities in Kabul are currently willing to meet the international community's demands on issues such as girls' education, though there are reports of some local variation.

Scenario 2: Imploding suggests internal fragmentation. Failure to provide security and basic services undermines the Taliban's legitimacy, and the movement's factions disintegrate. Regional players back groupings that support their interests, keeping instability largely confined to Afghanistan. The Taliban's failure to control borders limits the revenue the regime can earn, and its reversion to printing currency exacerbates inflation. Such a scenario is likely to result in significant regional variation within Afghanistan regarding security. Reduced Taliban authority may well make aid delivery in non-Taliban-controlled regions feasible, depending on the degree of violence, and the nature and behaviour of the armed factions that could fill the vacuum created by the Taliban's diminished control.

Scenario 3: Exploding involves a deteriorating situation in Afghanistan, with spillover effects in Afghanistan's immediate neighbourhood, potentially affecting the wider region. Amid acute food insecurity, causing demonstrations and civil unrest, the Taliban regime prioritizes its loyalists and fighters; scarce aid and resources remain under Taliban control.

These three scenarios are not static or mutually exclusive. The first may lead to the second, which in turn may lead to the third. The time frame for any such shift is difficult to determine and will be affected by actions within and outside the region, including external state and donor actions. While there may be geographic variation in terms of security, this worst-case scenario would make aid delivery highly challenging. Implementing any monitoring mechanisms would almost certainly be impossible.

Scenario 4: Progressing suggests a consolidation and – more tentatively – an improvement in Taliban rule. This would involve the regime shifting away from its sole focus on security to a broader focus on governance, and to attempting to meet the demands of a young and increasingly urban population whose aspirations have evolved over the past two decades. For this to occur, the Taliban would need to demonstrate greater homogeneity and technocratic competence than many believe they currently display. Non-governmental organizations (NGOs) and international NGOs (INGOs) would be allowed to operate, and the regime would also succeed in achieving relatively centralized control over both customs and corruption. Prospects for economic mobility would improve, and there would be a minimal outflow of human capital. As a result, this is the only scenario that would provide hope that a major humanitarian crisis could be avoided: aid delivery beyond humanitarian assistance would be practically feasible across the country, as would effective monitoring.

Each scenario presents numerous challenges. The ending of financial and development assistance to Afghanistan, along with the effects of the 2020/21 drought, risk making the economy ever more reliant on illicit trade, most obviously in narcotics, despite the Taliban's announcement in early April 2022 banning the cultivation of narcotics in the country. The exodus of tens of thousands of Afghans, possibly more, coupled with the effect of the COVID-19 pandemic, makes the challenge of building or rebuilding a functional state administration greater still – even if that were the Taliban's agenda, which is far from clear.

The scenario exercise took place prior to Russia's invasion of Ukraine in February 2022. This crisis will have both direct and indirect consequences in terms of the situation in Afghanistan. Rising global wheat prices may worsen food insecurity, while international attention will be distracted away from Afghanistan to an even greater extent. Central Asian republics, such as Kyrgyzstan, Tajikistan and Uzbekistan, which benefit from remittances from workers in Russia, are likely to suffer major economic fallout, potentially affecting their ability to play a supportive role in Afghanistan. This is likely to affect any optimism around regional economic connectivity projects – particularly with South Asia through Afghanistan – which require investment by the Central Asian nations. Alternatively, in the context of protracted conflict in Ukraine, Afghanistan's neighbours, including China, and Russia may be compelled to look at alternative trade and supply options. They may seek to expedite various long-mooted, south-facing transit and infrastructure projects through Afghanistan. The turbulent international environment may well influence Afghanistan's pathways to a much greater extent than previously anticipated.

Afghanistan: background and current context

In 2001, a month after the 9/11 attacks on the US, a US-led international coalition of mainly Western countries began military action against the Taliban regime. This led to the removal of the Taliban's Islamic emirate and the establishment in Kabul of an internationally recognized government.

The Taliban re-emerged in the mid-2000s after years of conflict.

On 29 February 2020 Zalmay Khalilzad, the lead negotiator for the US, and Abdul Ghani Baradar, the senior Taliban representative, signed an agreement in Doha, Qatar, detailing the arrangements that would lead to the full withdrawal from Afghanistan of US forces, as well as US allies and contractors. The agreement provided for a significant troop reduction (from 13,000 to 8,600) by early July 2020, with complete withdrawal by May 2021. Intra-Afghan negotiations between the Taliban and the Islamic Republic of Afghanistan, originally scheduled to start in March 2020, were delayed for almost six months as the Taliban demanded the release of all their prisoners as a precondition for the start of negotiations. Under intense US pressure, the Afghan government ended up releasing the majority of 5,000 Taliban prisoners, and convened a consultative Loya Jirga (Grand National Council) before agreeing to the release of the remaining 400 prisoners. Since the US had not comprehensively engaged its allies in the negotiations with the Taliban, some Western countries were unhappy with the prisoner release arrangements.

The intra-Afghan talks eventually started in September 2020, but became bogged down in structural and procedural issues straight away. Both sides waited for the outcome of the US presidential election in November, anticipating that a Democratic victory might lead to a change in policy on Afghanistan. In the period between the election and the inauguration in January 2021 of President Joe Biden, the US continued to reduce troop numbers to below 3,000. The new administration undertook a rapid review of Afghan policy, but retained Khalilzad as its lead negotiator and delayed the troop withdrawal by several months. As allied troops and contractors withdrew, the Taliban's customary 'spring offensive' started in earnest on 1 May. Districts started to fall to the Taliban with growing regularity.

Despite bellicose rhetoric from the Afghan government, its stated intention to retake lost territory – particularly the cities – rang hollow. Afghanistan's regional neighbours and the US warned the Taliban against taking the country by force, but did not provide significant new military support to the Afghan government.

The humanitarian and economic situation in the country was already serious. Drought, increased fighting, violence and displacement, and the spread of COVID-19, as well as the economic impact of the withdrawal of foreign troops, had pushed the country into increasing difficulty. The government diverted scarce financial resources into security and military operations, and put development projects on hold. In early May, a UN humanitarian appeal

anticipated the need to provide assistance to 15.7 million Afghans in 2021. Of the \$1.3 billion of funding that was required, just 12 per cent had been received at that date (although this subsequently improved to 35 per cent, as more donations were received over the summer).

Figure 1. Political map of Afghanistan



Source: Chatham House research

Between May and July 2021, the Taliban increased the area under their control from 73 to 223 districts (out of 421), in some cases through fighting and in other cases through the ceding of territory by Afghan security forces as they switched to concentrate on defending cities. The US withdrew from its main base at Bagram airbase, north of Kabul, in early July. Initial attempts by the Taliban to seize the major cities of Herat, Mazar-i-Sharif and Lashkar Gah were repulsed, but their assaults started again in earnest in early August. The major battle for Lashkar Gah, the capital of Helmand province, which resulted in widespread damage to the city’s infrastructure, may have been a factor that

led other cities to capitulate rather than fight. The Taliban also captured strategic border crossings around the country.

On 15 August President Ashraf Ghani fled the country, precipitating a fall of Kabul's defences. Prisoners escaped from detention, including from Afghanistan's largest prison, Pul-e-Charkhi near Kabul. The Taliban, citing the risk of a breakdown of law and order, immediately moved into the capital and took control.

Since the Taliban takeover, the human security, humanitarian and economic situation in Afghanistan has worsened further. In January 2022, the UN launched its largest ever humanitarian appeal on behalf of a single country, asking for \$4.4 billion to help 22 million people in Afghanistan who were said to be facing 'acute hunger'. A pledging conference co-hosted by the governments of the UK, Germany and Qatar in March 2022 raised only \$2.4 billion. The conference in March followed an earlier 'flash appeal' by the UN in September 2021, which was fully funded but evidently remained insufficient to continue supporting UN-led efforts beyond December 2021.

Humanitarian agencies were managing to work across the country in January 2022, and, in some regions, it appeared that Taliban control had improved access. There were initial reports of internally displaced persons (IDPs) and refugees having been able to return home; some had even returned in time to plant crops – including opium poppies – for the next season. Nonetheless, the number of IDPs remains high: current estimates stand at more than 4 million, with more than 1 million Afghans thought to have left the country between October 2021 and January 2022.

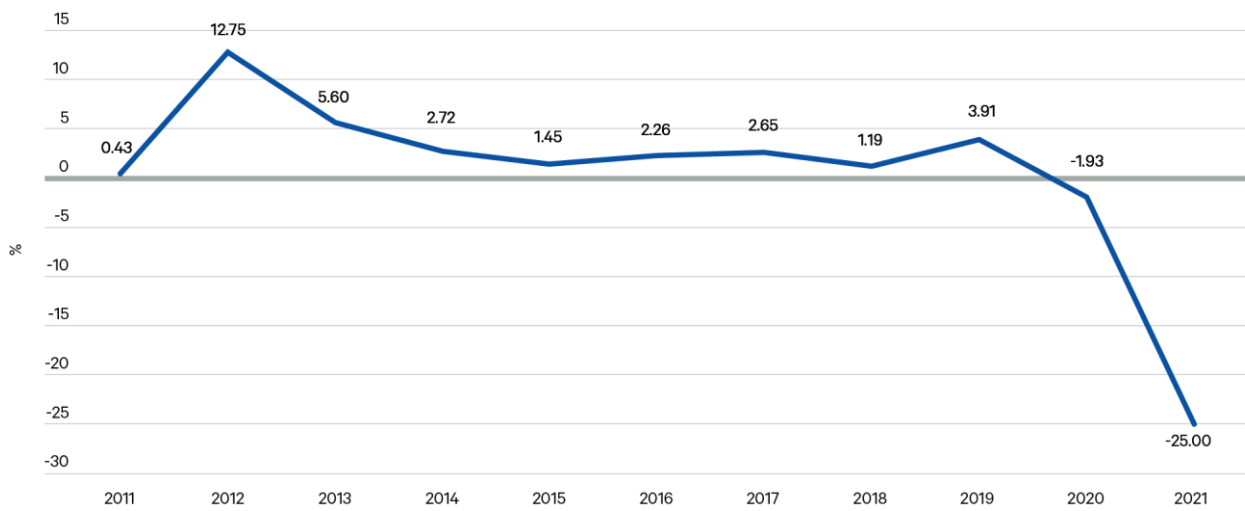
A sombre economic outlook

The ending of international assistance which followed the Taliban takeover has led to economic collapse: around \$11 billion of previously pledged – but conditional – foreign assistance was put on hold. The economic benefits of a large foreign presence, both military and diplomatic, have also disappeared. Foreign funding, which supported a large number of local NGOs, has ended, contributing to mass unemployment across the country. The cash injection provided by the payment of salaries to the Afghan military and civil service has also stopped.

The freezing of the \$9 billion of foreign reserves held overseas has destroyed confidence in the local currency – the afghani – and in the viability of most local banks. In December 2021, the exchange rate rose above 100 afghanis to the US dollar for the first time since the introduction of the new afghani in 2002. Between early August 2021 and January 2022, the value of the afghani fell by more than 30 per cent, driving up prices for imported food items. Although a limited amount of US dollars has been made available for humanitarian agencies, the US no longer flies US dollars into Afghanistan. As a result, banks have imposed limits on the withdrawal of US dollars and the Taliban administration has announced a ban on the use of foreign currencies.

The informal *hawala* system of money transfer is operational, providing an important lifeline to many Afghans, primarily through remittances. Yet, this does not have the capacity to replace all banking functions and, in some cases, *hawala* businesses take commission on transactions of up to 5 per cent of their value.

Figure 2. Afghanistan: annual rate of change in real GDP, 2011–21



Source: World Bank

Estimates for 2021 suggest that the Afghan economy contracted dramatically. The Taliban initially claimed to be receiving increased customs revenue as a consequence of eliminating corruption. While this might have been the case, declining demand within Afghanistan seems certain to have reduced imports over time; in any case, the lack of mechanisms to verify Taliban claims presents an additional challenge. In mid-January 2022, the Taliban regime approved its first budget, amounting to approximately \$525 million (53.9 billion afghanis) to cover the administration’s expenditure in the first quarter of 2022. But questions remain over how the Taliban will address the expected government deficit, given that the country’s economic prospects are bleak. Crucially, as the economy suffers, decreased consumer spending power will reduce demand for imports, and thereby customs revenue.

The Taliban funded the insurgency mainly from taxes imposed on legal trade, land and agricultural production, and also in part through the taxation of illicit economic activities, including the drug trade. The regime appears to have a more diverse tax base than the government it displaced. However, it is not yet clear what balance the Taliban administration will seek in terms of funding: notably, what share informal or illegal activities will provide. Reduced demand within Afghanistan will intuitively reduce demand for imports, potentially limiting the administration’s revenue from taxes on trade. According to recent

data from the UN Office on Drugs and Crime, opium poppy cultivation in Afghanistan increased in 2020, compared to the previous year, and Afghanistan remains central to the global heroin trade.

While access for humanitarian relief operations has widened, according to aid actors, independent research and free media reporting are likely to encounter challenges. For instance, the Taliban regime has banned local TV channels from partnerships with the BBC, effectively ending the public broadcasting in Afghanistan of programming from the BBC's Pashto, Farsi and Uzbek services. Such moves may limit citizens' access to information. Combined with the financial and operational difficulties Afghan NGOs are experiencing, as well as the departure of professionals from the country, this may adversely impact the quality of independent analysis and data validation that is required to assess the size, nature and mechanisms of illicit economic activities, including the drug trade.

Reinstating the Islamic Emirate

So far, the Taliban administration has rejected attempts by various actors, including the UN and Pakistan, to assist with financial management. It also rejected offers of technical assistance to improve governance extended in January 2022 by Pakistan's then prime minister, Imran Khan.

Despite initial claims by the Taliban that they intended to establish an inclusive regime, the 'interim' cabinet announced in early September 2021 consisted entirely of male Taliban leaders, many of whom had been in power in the 1990s and some of whom appeared on international sanctions lists. Only four of the 33 men did not hold a clerical title. A further 27 men appointed to the national government in November were all clerics, presumably intended as a means of providing the regime with some form of religious – and thereby political – legitimacy.

Similarly, all 43 officials appointed to provincial-level positions in November were Taliban commanders and staunch supporters of the regime. In addition to completely excluding women from all these appointments, there is no evidence that the Taliban regime plans to give representation to all of Afghanistan's communities, regions, ethnic groups or religious diversity, beyond a few seemingly tokenistic appointments. The domination of pro-Taliban Sunni Pashtuns in the new governmental structures has drawn unfavourable comments from other countries in the region, particularly Tajikistan, Iran and Russia. More recent appointments in February 2022 were also made from among individuals with predominantly clerical and religious credentials, removing or shrinking the space for a technocratic workforce as a result. If this trend continues, the lack of capacity in the Taliban regime will be more the result of choice than because it is an inevitable reality.

In January 2022, in the first European visit by regime members since taking power, a Taliban delegation travelled to Oslo, Norway, for talks with the international community and representatives from the Afghan diaspora and

civil society. Despite the Taliban's positive rhetoric in media interviews in Norway, in Afghanistan the regime's 'foot soldiers' continue to detain civilians and female activists who are deemed anti-regime. So far, the regime has announced only one appointment involving a woman – namely, the director of the Malalai Maternity Hospital in Kabul. (However, it is not clear if she has remained in the post.)

Public universities have officially reopened in several provinces across Afghanistan, with gender segregation being imposed. Reports that a significant number of senior lecturers and academics have left the country in the past few months highlight the challenges for Afghanistan of a 'brain drain', which threatens to paralyse the higher education sector.

International and regional reactions

As of April 2022, no country had formally recognized the Taliban as a legitimate government. A meeting of the Organisation of Islamic Cooperation (OIC) in Islamabad, Pakistan, in the same month did not yield any tangible positive outcomes for the Taliban regime, which had sent a low-ranking delegation to the event. While Western non-recognition is unsurprising – given two decades of hostilities between the Taliban and the US-led international coalition in Afghanistan, the nature of the Taliban's ascension to power and the *de facto* authorities' failure to agree to key Western demands – the response of China and Russia to the Taliban takeover was less predictable. Neither China nor Russia have engaged substantively with the new regime or provided significant assistance, defying earlier expectations. Both countries continue to demand that the authorities demonstrate a commitment to not allow terrorist groups to operate from Afghan territory. These demands notwithstanding, China's foreign minister Wang Yi visited Afghanistan in late March, and China has called for the international community to pay attention to 'the legitimate concerns of the Afghan interim government'.²

In September 2021, at a summit meeting of the Shanghai Cooperation Organization (SCO) in the Tajik capital Dushanbe, the governments of four of Afghanistan's neighbouring states – Pakistan, Iran, Tajikistan and Uzbekistan – agreed on three criteria for the recognition of the new Afghan regime. These were the establishment of an inclusive government; the assurance of human rights; and agreement that Afghan territory could not be used as a base for terrorism in other countries. Thus far, these criteria have not been met.

However, Pakistan has maintained close ties with the Taliban even as evidence has emerged of tensions over the Afghanistan–Pakistan border, the disputed Durand Line. Pakistan hosted a special meeting of the OIC in December 2021, which was the only international conference in the region to discuss the humanitarian crisis in Afghanistan since the Taliban had returned to power. Senior officials of the Taliban and of Pakistan have undertaken reciprocal formal visits to Islamabad and Kabul. Pakistan continues to advocate

² Ministry of Foreign Affairs of the People's Republic of China (2022), 'Explanation of Vote by Ambassador Zhang Jun on the UN Security Council Resolution on the Mandate of UNAMA', 17 March 2022, https://www.fmprc.gov.cn/mfa_eng/wjb_663304/zwjg_665342/zwbd_665378/202203/t20220317_10652829.html.

engagement with the Taliban, primarily on the grounds that stability in Afghanistan should be supported as socio-economic, humanitarian and security challenges (such as ISIS–K) loom large. Pakistan’s embassy in Kabul remains open and functional; its ambassador remains in the city and is actively engaging with the Taliban authorities. In Islamabad, in late October 2021 a Taliban envoy was welcomed and assumed control of the Afghan embassy, in the role of first secretary. There are reports of similar arrangements having been reached with the Taliban regime for Afghanistan’s diplomatic missions in Tehran, Beijing and some capitals in the Gulf. However, so far no country has formally accepted the credentials of a Taliban ambassador.

Iran has also hosted senior Taliban delegations in Tehran for discussions, and has remained engaged with the Taliban regime. In early January the Iranian government hosted the Taliban’s interim foreign minister, Amir Khan Muttaqi, ostensibly for mediated talks with Ahmad Massoud, the leader of the anti-Taliban National Resistance Front (NRF). However, there are no indications that Iran will recognize the Taliban regime before ensuring that its own interests in Afghanistan are safeguarded: these include refugee flows; security and terrorism threats; water management; the drug trade; and the status of Shia Muslims and other minority groups with ties to Iran. The Iranian embassy in Kabul remains open and, like Pakistan, the country is represented by its ambassador to the previous regime. Both Iran and Pakistan allow commercial flights to and from Afghanistan, though significant restrictions are in place on Afghan citizens’ access to these flights without documentation – visas, passports and special permits – all of which are difficult to obtain.

While Pakistan clearly has the closest relations with the Taliban, Iran, the Central Asian republics and Turkey are currently home to various opponents of the new regime. Whether, over time, these countries either allow or actively support action against the Taliban is likely to be determined by the Taliban regime’s actions within Afghanistan.

Discussions continue on pathways towards engagement with the Taliban regime, and on mechanisms for coordination on aid delivery while the regime remains unrecognized. There seems to be no single position among Western donor nations as to what precise conditions the Taliban would need to meet to be recognized as a legitimate government of Afghanistan. This lack of cohesion also extends into conditionalities that need to be satisfied for the liquidity crisis to be eased, though a recent US government offer of exemptions from sanctions would allow the transfer of aid funds to pay teachers and other government personnel, while barring the Taliban from accessing such funds. Furthermore, because the UN imposed the sanctions in question, addressing the issue would require agreement within the UN Security Council (UNSC), which Russia’s invasion of Ukraine has made less likely. Nonetheless, despite the lack of unity among UNSC members and on the broader issue of conditionality, the mandate of the UN mission to Afghanistan was extended for one year in a vote at the UNSC in March 2022, with Russia abstaining.

The challenges of restoring government functions

Both the US-led evacuation of foreign troops and the return of the Taliban to power acted as accelerants to the incremental ‘brain drain’ Afghanistan has experienced in recent years. Many technocratic, skilled and capable Afghans – working in government and NGOs – have left the country; others have not been prepared to work for the Taliban, particularly in the continued absence of any salaries and given the lack of confidence that the regime will obtain the required international aid. However, there are indications (and few examples to the contrary) that some ministries still appear to have a reasonable number of staff. While this underlines that capacity and human capital may exist, the Taliban will have to find a way to ensure people are incentivized to work. The continued trend of appointing clerics to highly technical roles – such as the appointment of a cleric to head the Environmental Protection Agency in March – will strongly discourage the skilled Afghan workforce from aspiring to re-enter government jobs. In addition, there are reports that NGOs, including UN agencies, have demanded ‘no objection’ or ‘pardon’ letters (issued by the Taliban) when former government employees apply for vacant positions. The Taliban regime must also tackle issues around the demobilization of its armed factions and attempt to create jobs for thousands of poorly educated young men – a key segment of the Taliban insurgency.

For international actors, the lack of capacity in indigenous Afghan institutions – including within local NGOs – poses a specific challenge. To deliver aid effectively, humanitarian actors require local partnerships and coordination with the *de facto* authorities, not least for purposes of access and security. Monitoring and evaluation also relies on local partnerships. The issue of limited capacity at the local level – mainly due to the flight of human capital since August 2021 – could challenge international stakeholders and humanitarian actors as they consider aid delivery strategies, options and mechanisms.

The Taliban regime continues to try to portray the country as being at peace, and itself as being in full control. Whereas opposition from supporters of the Ghani government was mopped up fairly quickly in Panjshir, Baghlan and other northern provinces (with resistance leaders appearing to have moved abroad, principally to Tajikistan, Iran and Turkey), ISIS–K has continued to mount attacks on the Taliban in numerous locations, particularly in Kabul and the east of the country. The targeting of Shia and Hazara communities in Kabul and other provinces in 2022 has involved brutal attacks, killing hundreds of civilians. ISIS–K has claimed responsibility for these attacks, exposing a major gap in the Taliban’s assertion that it is providing full security for Afghans.

Increasing numbers of ‘extra-judicial killings’ have also been reported. A lack of systematic reporting – and of functional frameworks for both reporting and investigating such incidents – makes it difficult to categorize them: some are likely to be revenge killings of officials – or powerful individuals – from the previous regime or civil society, and some have targeted activists; some may be the work of ISIS–K and some are probably officially sanctioned; while others

may be linked to private vendettas, or purely criminal in nature. Overall, the number of revenge attacks appears to have been lower than was initially feared, though the fear remains and incidents continue despite official denials.

There have been instances of public demonstrations, particularly involving women. These have been swiftly suppressed, often violently. Recent reports of violent arrests of women civil society activists have drawn widespread condemnation from the UN and international human rights organizations. While such actions have deterred future protests, they have also reinforced perceptions that the Taliban appears to have changed little since the 1990s. Arguably, Taliban pronouncements and propaganda, so effective in the war against the previous regime and its allies, have limited impact on the international community, which sees women being forced to wear the burqa while being excluded from public office and the media, girls being deprived of secondary education, and, in the city of Herat, bodies being hung from cranes. While they appeal to the Taliban's supporter base, these acts do nothing to persuade donors that this is a reformed 'Taliban 2.0' that can be trusted with assistance.

Against the background that has been outlined, the four scenarios described below consider different options and implications.

Scenario 1: Stuttering – the Taliban attempts to consolidate, but faces numerous challenges

Internal governance

Under this scenario, power struggles between various Taliban factions that begin to emerge in 2022 lead to a focus on internal Taliban cohesion and regime survival rather than governance. However, diktats from Kabul are not necessarily followed nationwide, and over time this fragmentation increases. The overriding need for unity means that conservative Islamic policies – and more rigid interpretations of *sharia* (Islamic law) – are the easiest to agree on, so as not to risk more disillusioned Taliban joining ISIS–K. New appointments continue to disproportionately favour the various Pashtun elements of the Taliban over other ethnicities. The deteriorating situation causes minor unrest; dissent is suppressed more harshly and publicly; and there is more rigorous enforcement of ‘Islamic culture’, as interpreted by the Taliban-approved clerics.

International/regional relations

In return for economic assistance, limited steps are taken against groups of concern to immediately neighbouring countries. However, these countries remain worried about ‘exports’ of narcotics and terrorism. INGOs and local humanitarian NGOs or civil society organizations can function, but insecurity and Western sanctions, rather than Taliban restrictions, limit their ability to operate, with access varying across the country. Competent civil servants leave because of lack of pay and opportunity. Opponents of the regime lobby against international recognition and against any support for the new government. Key Western donors largely disengage and give their attention to the Russia–Ukraine crisis, though some humanitarian aid and sector-specific support for health, education and nutrition are provided. Even regional actors are less willing to provide support, given the lack of ethnic balance in the government. But some regional countries, which are less concerned with human rights, continue to provide basic political and limited financial support, and to engage with the regime – out of self-interest, as well as to prevent the Taliban fragmenting – while not overtly breaking international sanctions regimes.

Increased isolation causes more economic hardship, but the Taliban prioritizes the well-being of its own factions rather than that of the wider population, increasing domestic opposition and leading to outflows of refugees to neighbouring Iran and Pakistan, and further afield. Isolation strengthens the hand of the more extremist factions against ‘Western’ influences. There is even less willingness to give in to donor concerns on human rights, or political, security, or financial risks, so assets remain frozen overseas, and sanctions remain in place. Most neighbouring countries continue with a policy of ‘wait and see’, though Iran and Pakistan provide *de facto* recognition, in the hope of maintaining some sort of stability.

Economics

The withdrawal of aid leads to a near-collapse of the licit economy, causing a liquidity crisis. Banks remain shut, but the *hawala* system provides a lifeline for remittances. Government revenues are further reduced, both by the sporadic closure of borders to prevent refugee outflows into neighbouring countries and because disgruntled Taliban factions are failing to pass revenue to Kabul. Pakistan's support becomes vital for the regime. The business community and wealthy families look to relocate assets out of the country (possibly in Pakistan, as occurred in 1992–2001), and the private sector begins to collapse. China dangles the prospect of financial support for infrastructure and mining projects, but with little tangible investment. Ultimately, the illicit economy must grow to provide a source of income for both the authorities and individuals. Narcotics production and the smuggling of people, goods and natural resources increase, adding to tensions with authorities in neighbouring countries and increasing the degree of international opprobrium the regime faces. Local power holders appropriate economic rents from trade and crime, stifling state revenues and creating local patronage networks. Predation by local officials and the appropriation of state and private assets – such as land – are difficult for the Taliban to control, and breed popular resentment. International recognition is unfeasible, and Afghanistan is seen as a potential 'narco-state'. Kabul International Airport operates limited flights because of insurance costs and lack of passenger traffic.

Security/crime

The ISIS–K problem continues to grow, fomented by members of the former regime who support the militant grouping on the basis of 'my enemy's enemy is my friend'. The Taliban's overly harsh repression of Salafis and Wahhabi groups and communities in the east of the country magnifies the problem, and provides external sponsors with an excuse to increase funding to ISIS–K. The existence of other Islamist 'factions' – the Pakistan-based Tehrik-i-Taliban Pakistan (TTP), as well as Al-Qaeda and other Salafi and Wahhabi groups – adds to the complexity. The Taliban regime is preoccupied with internal issues and makes no real attempt to rein in Afghanistan-based international terrorist groups (including Al-Qaeda).

Human impact

Insecurity, corruption and criminality, combined with a lack of reliable local partners for aid delivery, lead to the accelerated destitution of the population. This is potentially exacerbated by the effects of drought and poor provision of social services. More Afghans seek to leave the country.

Scenario 2: Imploding – attempted consolidation leads to fractures and the emergence of local fiefdoms

Internal governance

The formation of the interim cabinet in 2021 fails to paper over the cracks in the Taliban movement, exacerbated by the lack of an agreed common external enemy to keep the movement together. Haqqani domination of the cabinet, and attempted control of all provincial appointments on the basis that these fall within the remit of the ministry of interior affairs (currently headed by the leader of the Haqqani network), provokes resentment among other factions. The northern Taliban already feel excluded from the regime as a consequence of their scant representation in terms of government posts and the attempted sidelining of key commanders. Rifts also persist between the southern Taliban and the Haqqanis, and, among the southern Taliban, between Helmandi and Kandahari factions. In addition, ‘non-ideological’ Taliban – warlords who joined the Taliban because they opposed the Ghani government – begin to change sides. As amir, Sheikh Haibatullah Akhundzada is unable to smooth intra-Taliban relations. Pakistan’s intervention fails and drives the Helmandi faction (which was more loyal to the previous amir, Akhtar Mohammed Mansour) closer to Iran and further from both the Haqqani and Kandahari factions. Key Kandahari leaders push for Kandahar to be redesignated as the national capital, and relocate there with the support of various southern provinces. Failure to provide either services or security undermines the Taliban’s legitimacy, fuelling further factionalization in 2022.

International/regional relations

Neither the neighbourhood nor the wider international community recognize the Taliban. Insecurity and lack of passenger traffic mean very few flights operate into or out of Afghanistan. Regional countries see an opportunity to ‘interfere’ and back ethnic or sectarian groups most closely allied to their interests, or just the ones prepared to do their bidding, in exchange for money and support, ensuring these are sufficient to confine problems to Afghanistan and that they will not spread across borders. Pakistan steps up support for the Haqqanis; Iran considers whether to increase support for the Helmandi faction (the southern Taliban leadership) or reactivate its former proxies, such as Ismail Khan in the west of Afghanistan, and the NRF under Ahmad Massoud in the north. Uzbekistan follows the example of its Central Asian neighbours and tries to shut down its borders with Afghanistan. China steps back from its economic interests and enhances its security presence in Tajikistan. Russia likewise sees Afghanistan through the prism of Central Asian security.

Economics

The economic situation continues to spiral downwards. The Haqqanis and their allies are unable to control revenues from across the country in the wake of the Kandahari and Helmandi relocation away from Kabul. The northern Taliban also assert control of the resources coming from the border crossings – official and unofficial – in the north. They are joined in their opposition to Kabul by the Tajik, Hazara and Uzbek factions of the previous regime. ‘Local resources for local people’ becomes a rallying cry across the country. There is a collapse in central revenues and control. Inflation soars, while the afghani depreciates considerably and is largely replaced by other currencies. The banking system collapses and payments shift exclusively to the *hawala* system. The dire economic situation means that the illegal economy flourishes: narcotics, natural resources, petroleum, foreign currency, cigarettes, people, and other goods are all key income streams for smugglers and local strongmen, in some cases with the connivance of Taliban security officials in organizations along the border. Armed predation and extortion are rife.

Security/crime

ISIS–K seizes the opportunity to grow, particularly focusing on the east as the base for its new ‘caliphate’. Pakistan works with the Haqqani network to try to reduce the ISIS–K and TTP presences in the east that threaten the bilateral border and Pakistan’s own stability. This leads to further accusations that the Kabul regime is merely a puppet of Pakistan.

The rise of militias and local power brokers exacerbates differences between tribes and communities. Human rights are significantly eroded, and a culture of impunity takes hold for actions committed against those not associated with leaders or members of the respective factions. Competent civil servants leave their posts because of discrimination and/or lack of pay, or because they are pushed out, accused of being ‘remnants’ of the Ghani government. The fracturing of the country also negatively impacts economic activity and aid delivery, with the imposition of unofficial ‘local taxes’ at checkpoints across the country. The breakdown of a centralized police force, army or intelligence service also leads to increased criminality. There are pockets of violence, particularly in areas where two or more factions compete for influence and resources. Violence and criminality against ordinary people in complex urban settings such as Kabul become causes of major concern.

International terrorist groups find refuge in various parts of the country in exchange for providing support to local leaders, giving them the ability to plan attacks against external targets.

Human impact

Increased conflict leads to large movements of people fleeing the fighting, and a rise in IDPs as well as those seeking asylum abroad. The lack of economic opportunities and basic services results in extreme suffering for growing numbers of people. ‘Internal borders’ between fiefdoms make transport and trade more difficult; more checkpoints and targeted violence against residents of opposing groups lead to a significant breakdown of the ostensible social contract that had been in place in Afghanistan.

Scenario 3: Exploding – an inability to govern ‘spikes’, with violence spilling across borders

Internal governance

Acute food insecurity causes demonstrations and harsh crackdowns. The Taliban regime prioritizes its own fighters and ‘loyalists’ above all others in distributing scarce aid and resources. Millions try to flee to Pakistan or Iran but find borders closed. The Taliban’s internal cohesion deteriorates and factions begin to blame each other for the mess the country finds itself in. Internal dissent rises as civil servants are not paid and people cannot afford to eat.

Harsh Taliban reprisals are catalogued on social media, even as mainstream media face a complete clampdown, or choose to self-censor. Repression and reprisals are seen as particularly concentrated on non-Pashtun communities. Other countries in the region become more overtly involved and ‘choose sides’ in the developing conflict, as existing factions split and armed opposition groups emerge. Divisions within the Taliban are exacerbated, with some factions remaining close to Pakistan. Others move closer to Iran in exchange for arms and money; some turn to Central Asian states, Russia and, possibly, India.

International/regional relations

Terrorist incidents perceived as being linked to Afghanistan are of increasing concern to the regional and wider international communities. In the major cities, there is fighting between factions backed by different external powers. The desire to protect ethnic allies and proxies leads forces from neighbouring or regional powers to directly intervene in some parts of the country. Conflict threatens to spill over into the wider region and fuels the prospect of an intense civil war in Afghanistan. Meanwhile, the deteriorating security environment makes Afghanistan’s neighbours focus on strengthening and tightening border security, presenting particular difficulties for Pakistan as the dispute over the Durand Line intensifies. Iran takes advantage of the situation to dismantle water infrastructure to secure its own water supplies.

Economics

The economy collapses. Sanctions, continued isolation and lack of assets are compounded by lack of access to frozen funds. Local militias on the Afghan side control border crossings, reducing central government revenues. The government resorts to printing currency, and hyperinflation increases local hardship.

As humanitarian and economic crises unfold, the collapse of the currency and the regime’s failure to control predation, extortion and kidnapping continue to create problems. Government customs and tax revenues fall; local armed

groups, including various Taliban-affiliated factions, take what is collected or extorted. General insecurity encourages farmers to resort to opium production.

Security/crime

ISIS–K gains new recruits and launches a sustained campaign on Shias, and moderate and Taliban-friendly Sunnis. The group kills Taliban leaders and carries out high-profile attacks in major cities across the country. Road travel along major highways becomes more insecure, further complicating aid delivery and economic activity. Dissent manifests itself in northern Afghanistan, where some Taliban commanders join a reinvigorated NRF. International terrorist groups ally themselves more closely with either ISIS–K, Al-Qaeda or the Taliban, creating greater international concern about the situation in the country. Using Afghanistan as a base, such groups are able to move out through Iran, Pakistan and Turkey, posing as refugees and threatening security in Europe and transit countries.

Human impact

Airports are closed and many routes between major cities become almost impassable. Many active militant groups see international humanitarian workers as legitimate targets. Warring factions treat aid as a resource to fight over and tax. Refugee and IDP flows increase exponentially as people flee the fighting to ethnic enclaves or neighbouring countries. There is a widespread, acute need for food, medicine, and basic household items across the country.

Scenario 4: Progressing – improvements in security and Taliban moderation lead to international acceptance

Internal governance

The clerical establishment ensures the implementation and legitimacy of the leadership's decisions – especially those taken by the amir – without overt interference. Meanwhile, more technocratic leaders and civil servants in the former government rebuild institutions, renegotiate foreign trade deals, establish workable policies and create bridges to the international community. Donors feel that they can work with most civil servants and institutions. State institutions start to deliver services reducing the pressure on humanitarian actors to substitute for local agencies. The reappointment of non-Pashtun officials reduces domestic tension over issues of inclusivity and questions about skewed aid delivery. Minor concessions are made on issues such as girls' education that are of concern to donors, so that more than purely humanitarian aid starts to flow into the country. These financial and humanitarian corridors, which among other things provide a means to pay salaries to local officials, and help avert major liquidity and socio-economic crises. The economy begins to show signs of life. Kabul International Airport opens to international commercial traffic and foreign travel resumes for Afghan nationals, as well as a (much reduced) diplomatic corps, visiting diplomatic and commercial delegations, and humanitarian workers.

While the Taliban movement remains far from homogeneous, internal divisions are papered over and do not lead to a major crisis. Appointments are made in a way that balances the interests of competing factions, and even non-Pashtun ethnic groups are allocated sufficient low-level appointments to keep them and their regional supporters in line. The new institutions permit sufficient patronage and influence for all the leaders to satisfy their own militias and supporters without causing popular resentment about grand corruption. This in turn weakens attempts by the NRF to stir up trouble: instead, NRF factions in Iran and Tajikistan, and other opposition factions around the world, fail to achieve unity while they concentrate on raising funds and support from friendly nations or groups. As a 'security threat' they do, however, serve as a useful focus, allowing the Taliban to enable internal security controls. The Taliban regime convenes some form of Loya Jirga, providing a basis for claiming national legitimacy.

International/regional relations

The Taliban persuades international terrorist groups present in the country to halt their activities, allowing the regime's consolidation. Groups linked to insurgencies in neighbouring countries come under pressure to curb their activities.

The Taliban regime successfully portrays itself as possessing complete control, highlighting the damage sanctions have done to the country and causing the international community to seriously consider weakening or lifting sanctions and granting international recognition. Holding a Loya Jirga enables the regime to claim legitimacy without relying on the ballot box. The Taliban agrees to accept earlier international agreements, with the result that Afghanistan rejoins regional organizations such as the South Asian Association for Regional Cooperation (SAARC) and the OIC, and re-engages with the SCO. Long-standing regional infrastructure projects commence or recommence. The Durand Line dispute with Pakistan is put to one side (but not formally resolved), though renewed economic activity means that water usage remains a matter of contention with Iran and, to some extent, Pakistan.

As the Taliban begins to abide by a regionally agreed ‘roadmap’, Western countries are encouraged to begin working around sanctions to provide more political and financial support to the Taliban authorities. Some even consider diplomatic recognition. Neighbours agree to provide capacity-building for Taliban state institutions, which the leadership approves. A limited ‘unfreezing’ of Afghan assets overseas is agreed upon.

Economics

The economy starts to normalize: small and medium enterprises start to reopen, and the resumption of salary payments to civil servants starts to stimulate demand. Banks also start to reopen, returning to pre-Taliban levels of operation. The regime succeeds in achieving more or less centralized control over customs revenue as well as mineral and other resources, although local power holders continue to appropriate some resources, with rough justice being meted out to those who cross informal lines.

The regime produces a budgetary plan, and multilateral institutions provide limited technical assistance, as well as financial support. This allows the currency to stabilize, and for liquidity to improve. Predation by local and mid-level officials is brought under control. The systems which the previous government put in place, underpinned by technical and technocratic capacity, are allowed to function to protect government revenues, enabling more international development aid to flow into the country, primarily from multilateral institutions. Greater levels of security encourage farmers to turn away from opium poppy cultivation towards other crops.

Security/crime

The threat from ISIS–K is contained by successful national campaigns, particularly in the east but also in various pockets around the country. The regime is even assisted in this endeavour by regional partners, elements of the former National Directorate of Security (NDS) – the previous regime’s intelligence agency – and community militias. The authorities also suppress armed elements of the former regime which had fomented attacks against them. Stabilizing the security environment enables countrywide access for humanitarian relief.

The Taliban continue to wage secret campaigns against former enemies, but succeed in blaming obvious fatalities on opposition infighting, criminal elements and ISIS–K. Dissidence is suppressed quietly, with the help of key regional intelligence allies who also provide necessary surveillance and intelligence support. Public demonstrations are few and are handled better, with less violence. Media are controlled firmly, but benignly, and tend to self-censor rather than face overt repression.

Narcotics production is controlled sufficiently to placate neighbouring countries, without causing widespread unrest among farmers. Competition between Taliban factions or local power brokers and strongmen is successfully managed by the leadership and the mechanisms of the Taliban’s financial commission.

Human impact

The regime allows INGOs and local NGOs to operate. Conditions gradually improve for the population as economic activity and basic services return. There is a minimal outflow of people, and a limited number of refugees even return voluntarily from neighbouring countries.

Conclusion

The rationale for setting out potential scenarios in Afghanistan in 2022–23 was in response to acknowledging that engagement with the country needs to go beyond assisting it on basic humanitarian issues. The scenarios envisaged in the workshop led by Chatham House in December 2021 were conceived to elaborate on the strategic issues, challenges and shifting dynamics that will affect overall engagement with Afghanistan – and more especially, engagement among Western donor nations. This was the first workshop in the ASLI project, and the discussions that took place on these scenarios with experts, policymakers and practitioners were not intended solely to produce policy recommendations. Rather, the workshop set the scene for subsequent workshops, led by the other three partners in the initiative – IDS, ODI and OECD-DAC.

In consultation with colleagues and experts who were mobilized by the ASLI project, the research team at Chatham House was keen to formulate a scenario projection exercise that reflected current realities on the ground. This was done with an appreciation that there might be an infinite number of ways to think about scenarios for the short and medium terms in Afghanistan. It is important to emphasize that these scenarios were considered with the view that transition from one to another, if it happened, would not necessarily be linear. For instance, it would be possible for one scenario to largely apply, with overlapping elements of other scenarios.

At the time of publication, it seems that the situation in Afghanistan most closely fits Scenario 1: Stuttering, as the Taliban regime's attempt to consolidate power faces several domestic and external challenges. These include the rising profile of ISIS–K inside the country and the regime's lack of international recognition – even among those governments perceived to have the closest working relations with the Taliban. Tension between the *de facto* Afghan authorities and the Pakistani government over the Durand Line is evident, as demonstrated in April 2022 with the reported cross-border bombing of Afghan territory by the Pakistani army, yet overall, the bilateral relationship seems to have survived the turbulence of this direct attack.

A key outcome of the Chatham House-led scenarios workshop was the strength of views underlining the inherent risks associated with pursuing Scenario 4: Progressing. Bringing about improvements in security and the Taliban's moderation, which would arguably lead to international recognition, might be construed as validating an autocratic regime that is fundamentally hazardous to the human security and human rights of ordinary Afghan citizens. The international community needs to strike a balance between the need for engagement that fosters positive structural changes in the Taliban's style of governance and the dangers inherent in potentially supporting – and perpetuating – a repressive form of rule. This remains both a central question that must be considered and a significant policy challenge.

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