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## Afghanistan and the Folly of Neo-Liberal Economics

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Afghanistan continues to rank among the poorest countries in the world on par with some of the most poverty-stricken countries in the Sub-Saharan Africa and South-East Asia. It consistently ranks among the worst countries On some of the most crucial development Indicators such as infant mortality, literacy rates, literacy rates among women, life expectancy and a host of other indicators.

The literacy rate among the women of Afghanistan figures no more than 15% while the average for the Asia is at least three times this figure. Overall literacy rates hover around 40%, one of the lowest in South Asia and central Asia, the two regions to which Afghanistan belongs by extension. According to UNICEF reports, on the crucial indicator of under-5 child mortality rate, Afghanistan, in 2009 and after being on the receiving end of almost a decade of generous international aid and assistance, scored 199. It means that out of every 1000 child born, at least one fifth of them do not reach the age of 5, falling victim to diseases and ailments that are easily preventable.

Perhaps, the most heinous disaster right now unfolding in Afghanistan is the economic disarray with people and communities still languishing in poverty, unemployment and a pessimistic and deeply uncertain future.

For sure, the past ten years and the pouring in of billions of dollars as both aid and foreign military spending have given rise to a class of Afghan nouveau riche, who buy million dollar homes and drive around in glittery cars. Apart from this new class of Afghan rich, a middle class too has been building up who can afford to send their children to good schools, live a comfortable life and save for the future of themselves and their children.

However, when you scratch the surface of this glittery Afghan class of urban rich and comfortable, the reality of life for the majority of Afghans in provinces and far-off areas is a constant battle against poverty, hunger, harsh winters and disease and ailment. The current wave of drought and famine that is sweeping large areas of the country has already left millions of Afghans in the clutches of an unforgiving winter with little food to tide over the winter.

Hundreds of thousands are forced to leave their homes and farmlands and seek food and shelter elsewhere or are condemned to a miserly life in which the roots and leaves of wild reeds and plants will be their only food to eat over the winter. Certainly, the food supplies distributed by the government and international aid agencies such as the World Food Program do not reach millions of desperately hungry and poor in many provinces.

The inability of the government of Afghanistan to implement ambitious programs of economic development for the country over the past ne decade has been a major cause of the current state of economic disarray and confusion in the country.

The high-profile Afghanistan's National Development Strategy, adopted with much enthusiasm by the government and backed by international financial and economic institutions such as the World Bank and the International Monetary Fund, has so far delivered few dividends. The majority of the plans and programs that it envisions have been abandoned or have already gone defunct with no person in the government raising any objection.

The neo-liberal model of economic growth and development that has been adopted for Afghanistan since 2001 has proved on many occasions to be poorly suitable for Afghanistan's current needs. This neo-liberal model relies too heavily on a weak and unprepared private sector and discourages and prevents the government from making any intervention in the economy except for limited hand-outs to people as charities.

The once large-scale government -owned "tasaddis" and corporations that formed the backbone of Afghanistan's industrial sector in 1960s and 70s now have gone defunct and are no longer active. Those that are attractive to private Afghan traders and businessmen have already been sold at very cheap prices to influential businesspeople.

Those "tasaddis" that are of no use remain out of work and dormant with the government having no plan, resources or capacity of its own to either put them to work again or to sell them to people who might be interested in the land of these defunct "tasaddis".

For a country and a nation that endeavors to rise from among the ashes of decades of war and conflict, it would have made much economic and social sense to have a government that would forcefully intervene in the economy. Relying solely on market forces and the private sector to invest in the economy and get the wheels of the economy moving is far from enough to lift the economy and the country off the ground of stagnation and poverty.

Yet in Afghanistan and over the past one decade, we have witnessed the triumph of this neo-liberal doctrine and ideology that prevents it from taking its rightful place in the organization of

the economic affairs of the nation. As early as 2002, attempts were being made by the U.S. and International Monetary Fund to impose such a vision on the country.

Therefore, the very model of economic organization chosen and imposed on Afghanistan by its Western partners has been a flawed model. The history of other developing countries, most recently Egypt and Tunisia, has clearly shown that the result of such a neo-liberal model has been increasing concentration of wealth in a small segment of the society, increasing wealth disparity and poverty among the people at large and a government that is perceived in the public eye to be sympathetic to the rich and apathetic to the misery and poverty of a majority of people.

Certainly, the imposition of this neo-liberal economic model on Egypt and Tunisia over many decades and the resulting poverty and misery for their people was one of the main reasons behind the Arab Spring and the collective outpouring of public sentiments and anger on corrupt and despotic rulers.

What further compounds the problems in Afghanistan is the corruption and incompetence of the government. Even if the economic models chosen for Afghanistan called for a strong and active government, it would have been very unlikely that the government could have rendered the duties and responsibilities expected of it in the areas of economic modernization and development.