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Foresight as a tool for sustainable development in natural resources: The case of mineral extraction in Afghanistan ☆

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ABSTRACT

This subjective essay uses the six pillars approach of future studies to address the futures of mineral extraction in Afghanistan. The analysis through this methodology is directed at decision makers and stakeholders as they evaluate the role of minerals in the Afghan economy and intends to inform public policies regarding mineral extraction beyond sectoral silo focus. The future space is visualized through the six pillars approach with accompanying methods and by identifying patterns of change. There is a valid risk of greatly over-estimating the economic and strategic opportunities offered by Afghanistan's newly discovered mineral wealth. Afghanistan also risks being infected with the resource curse. The essay concludes with policy recommendations to realize the potential of this gift of nature, most efficiently and equitably and to also use them as a means of effective socio-economic development and prosperity.

Introduction

In 2010, vast mineral deposits were discovered in Afghanistan, including huge veins of iron, copper, cobalt, gold and critical industrial metals like lithium. With reliable estimates of $1–3 trillion of extractable resources, there is hope and concern surrounding this discovery which is being heralded to "fundamentally alter the Afghan economy" (Risen, 2010). Often buffeted historically by external forces and actors, the Afghan mineral extraction sector implies a special concern about its exploitation and a new risk that may face the country – the "resource curse." How Afghanistan traces its way forward to a democratic and peaceful future will depend on how it responds to the challenge of harnessing the overall potential for natural resource wealth to meaningfully transform Afghan society and construct a viable socio-economic system.

While literature abounds on mineral extraction and its socio-economic implications, there are large areas of disagreement and fragmentation within the research community (Kolstad and Wiig, 2008). This diversity takes many forms, some of which are linked to the linear-sequential mode of thinking employed from an extractive economy versus mineral-utilization economy perspective. As suggested by Inayatullah (2004), predictive futures (linear-sequential mode of thinking) link theory and data and is based on the assumption that the future can be known and that those who posses such knowledge are in the position to colonize the official version of the future. In effect, this means that those who are in a position to make such statements are by default creating an official version of the future, and it is this version of the future that tends to be adopted. Another aspect of the divergence is related to the focus on isolated aspects (technology, environment and society, politics and economy) of mineral extraction. The policy implications from such analysis thereby ignore the global and socio-political implications of this sector leading to misplaced policy interventions (Sheraz, 2010).

The contribution of this subjective essay to the body of knowledge is the application of six pillars approach of futures studies (developed by Inayatullah, 2008) to the Afghanistan mining scenario. The six pillars approach provides a new means to futures thinking to better understand the processes of change so that wiser preferred futures can be created. The conceptual framework of the six pillars approach with accompanying methods is based on the following questions:

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1. History of the issue and how we got there? History is a useful indicator of the future and by tracking the grand trends of time, we become clearer on where we are heading.
2. What is your fear of the future? What is your prediction about the future?
3. By changing some of the assumptions, what alternatives emerge which challenge your prediction or fear of the future?
4. Visualizing the future through deepening and creating alternate futures. This is done by identifying patterns of change beyond the most obvious and the superficial.
5. What is the preferred future in the particular context?
6. And finally how do you move to your preferred future? What steps can you take to materialize your preferred future?

Here it is important to stress on a few aspects about futures work. First of all, the future is about change and walking on an untrodden path. What is acceptable or unacceptable today, could be different tomorrow. Change happens and it is a function of the trends, acceptable social values, political correctness and other variables of that time. I cannot think of a better example than the Afghan freedom fighters of yesteryear, many of whom have now morphed into the Taliban. Building on this trend, given that India and China (the next super powers) are getting involved in Afghanistan as stakeholders; could the mutated form of the Taliban be blue-eyed boys again in 15–20 years?

Also, with regard to the term 'futures', Fletcher (1979) defines it as meaning more than one future, rather many futures. The use of the word "futures" is based on an assumption that individuals and communities can be empowered to create many different and alternative futures rather than simply accepting an official version. Accordingly, the use of the word 'futures' throughout this article, implies that there can be more than 'one' future for an organization/issue, rather there are many futures that can be considered.

The history of the issue

Afghan geology and geography are both consequential in terms of mineral development prospects (TFBSO, 2011); mineral extraction potential remains strong for geological reasons, while the country's geographic location, between the rich oil and gas fields of Central and Western Asia and the energy-hungry corridor of India, Pakistan and China, making it a vital transit country for energy commerce. If the past is any indicator of the future, resource extraction has a tortured history in Afghanistan and continues to be a source of concern in terms of physical security, environmental and social impacts and their contribution to socio-economic development (Ali and Shroder, 2011).

The Great Game

The Great Game, was a term for the strategic rivalry and conflict between the British Empire and the Russian Empire for supremacy in Central Asia, with Afghanistan acting as a buffer zone. Recently usage of the expression "the Great Game" has again started making the rounds (Sheraz, in press; Malik, 2011; Subramaniam, 2012) which now has new contestants: United States, Russia, China, Pakistan and India, and the tussle is over influence with the Central Asian republics and access and control over natural resources and military bases. The game once again is being played out in the buffer zone – Afghanistan.

The British Empire maintained a comprehensive interest in resources of Afghanistan and first initiated resource assessments in Afghanistan in the early 19th century as they searched through pioneering exploration and military escapades for countries to dominate as markets and trading partners (Shroder, 1983). This was done parallel to improve military intelligence on resources and topographic detail that would be needed in their Great Game face-off against the Russian Empire. Afghanistan won its independence from diplomatic domination by the British following the third Anglo-Afghan War in 1919, and a short while later, a Soviet publication on mineral wealth in Afghanistan was published (Obruchev, 1927). The government of Afghanistan tried to entice the Americans to become engaged in resource discovery and extraction in Afghanistan (Clapp, 1939 as cited in Ali and Shroder, 2011), however, distance from market, economic concerns, and looming worries about World War II caused rejection of the offer, much to the uneasiness of the government of Afghanistan.

With the US attention on resources diverted elsewhere for the next four decades, the Soviets collaborated with the Afghanistan Geological Survey, resulting in a detailed mapping of mineral resources in Afghanistan (Abdullah et al., 1980). After the Afghan invasion of the USSR in 1979, the Soviets were in a position to initiate resource extraction in Afghanistan and in the mid 1980s, natural gas was pumped across the northern border of the Amu Darya into the USSR and a smelter scheduled for installation at the Aynak copper deposit was planned near Kabul (Shroder and Watrel, 1992). However, the increasing resistance of the Afghan people and the Mujahidin disallowed any significant development of other resources at that time. Instead in 1988–1989, the USSR withdrew from Afghanistan and in a twist of fate, the Bush Senior administration closed the US Embassy in Kabul a few years later. In the subsequent years, the Taliban stayed away from exploiting the mineral riches, although they did show interest in the Turkmenistan–Afghanistan–Pakistan (TAP) gas pipeline (Burleigh, 2002). The subsequent invasion of Afghanistan by the USA and its allies in 2001 began a new phase in the history of mineral resource exploitation in Afghanistan, as many old resource projects were assessed again, and new ones were initiated (Shroder, 2009).

Afghanistan's minerals and the insurgency connection

A thriving shadow economy revolving around precious stones and recently from minerals and ores such as chromite, coal, gold and iron, has existed in Afghanistan over the past four decades. The small-scale excavation and trafficking of precious stones and other mining commodities has long played a role in organized criminal activities and fundraising for militant groups throughout the past four decades of conflict in Afghanistan (Bhwagwati and Hansen, 1973). The mining and extraction of emeralds and other precious gemstones in the northern provinces of Badakhshan and the Panjshir Valley became a critical source of revenue for the Mujahidin that fought against the Soviet occupation. In 1992, these mines were nationalized, earning an estimated $200 million a year from the trade in precious gemstones (Schetter, 2002). Following the seizure of state power by the Taliban in 1996, anti-Taliban militias came to unite under the umbrella group the United Islamic Front, which continued to engage in precious stone extraction and trafficking in the Panjshir Valley, Takhar, and Badakhshan, allegedly earning between $60 million to $200 million per year from the trade (Renner, 2002). Under a barter system, these anti-Taliban militias acquired weapons and ammunition from black market arms dealers to fight against the Taliban – exchanging emeralds and other precious stones for weapons (Farah and Braun, 2007).

In 2001, following the collapse of the Taliban regime, illegal mining and its trafficking has surged. It was estimated in 2005 that nearly 80% of all Afghan mines remain under control of rogue commanders or criminals, with some of these mines being controlled by non-state actors since 1992 (Dupee, 2012). Today the illegal mining sector finances the Tehrik-i-Taliban Pakistan (TTP) and Haqqani network, through smuggling operations and "protection" fees for safe routing of illegal mineral resources. Just in the Khost area, illegal extraction of chromite, amounts to one million Afghanis ($20,695) in lost revenue per day (Mangal, 2010), with