Afghanistan will reach a major crossroads in 2014, when the transfer of authority for security begun this July is scheduled to be completed. This transfer will undoubtedly produce substantial changes in the country’s relations with the rest of the international community. 2014 will also mark the end of President Karzai’s term of office; having already been elected for two terms, President Karzai cannot constitutionally seek re-election and so can only serve until May 2014. The outlook for the post-Karzai power structure will certainly become a topic of great interest for Afghanistan.

I would like to speak about the risks currently facing Afghanistan from three perspectives: domestic politics, foreign policy, and economics. One source of concern with respect to domestic political risks is how matters will play out as the country moves toward a post-Karzai era beginning in 2014. The degree of success achieved in transferring control of security and in rebuilding the domestic political structure through Afghan-led efforts merits close attention. The makeup of the power structure – how governmental power is distributed among ethnic groups – will also be of significance in the context of domestic politics because of its ramifications for reconciliation with the Taliban. Afghanistan’s central government has only limited control of outlying provinces, with both the central and local governments wielding their own control. Another important aspect is the balance between such tribal politics and the “rule of law” sought by developed countries.

Pakistan and the US hold the biggest keys to Afghanistan’s foreign policy. Pakistan and Afghanistan have set up a joint commission aimed at establishing more firm control over the Taliban, but the sincerity of Pakistan’s willingness to cooperate with Afghanistan is unclear. Afghanistan’s situation is also subject to change depending on the future level of US intervention. The agendas of neighboring countries vis-à-vis Afghanistan are quite disparate, and consideration should be given to restoring a balance in foreign policy excessively tilted at the moment towards Pakistan. Developed countries in the EU and elsewhere tend to emphasize human rights and other universal values, but demanding that Afghanistan demonstrate results in this regard over the short term will inevitably lead to chaos.

A major issue economically is the transition from a war economy to a normal economy. Although Afghanistan’s ordinary budget is $1.7 billion, it spends $6-7 billion on maintaining the military and the police. The vast majority of the funding for Afghanistan’s military and police
forces comes from the US, but whether the US will continue providing such funding in future is in serious question. Afghanistan is also contemplating regional economic cooperation to promote its own recovery, and mining development and associated infrastructure improvements are garnering particular attention. The country’s unstable security situation and fighting among special interests, however, do not bode well for such economic cooperation.

Japan enjoys a very favorable image in the eyes of the Afghan people, and is highly esteemed as the second-largest donor after the US. As Afghanistan makes the transition to a normal economy, Japan will be asked to provide economic assistance and physical support so that chaos can be averted and to remain committed to Afghanistan beyond 2014. In pursuing regional economic cooperation, thought should be given to approaches not exclusively aimed at securing resources and improving infrastructure but also considerate of assistance and cooperation from a longer-term viewpoint.

Let me conclude by discussing realistic targets for 2014. First, with respect to domestic politics, it is important that Afghans select a leader capable of making a political deal with the Taliban and, while bringing the Taliban in from the cold, bolstering the country’s military and police capabilities. Maintaining a military and police force numbering 350,000 will be impossible once the US withdraws, and controlling security under such conditions will leave no choice but to skillfully assimilate the Taliban into the domestic political structure. In foreign policy, a crucial issue will be the format in which Afghanistan is able to continue its partnership with the US. Should US involvement suddenly evaporate in 2014, preserving the peace will become impossible. In building cooperative relations with Pakistan, one key will be to stabilize bilateral relations between India and Pakistan. In the economic arena, a reasonable plan is needed that clearly stipulates the approximate pace at which assistance from overseas can be reduced.