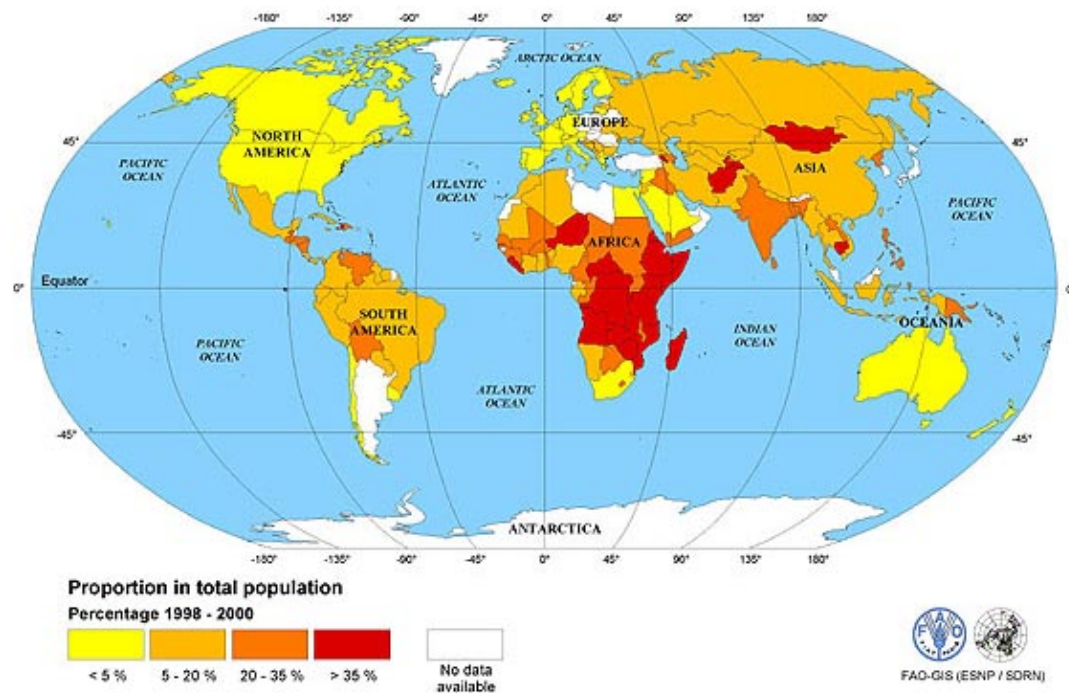


# Development of Afghanistan-Pakistan

**Rajan Gupta**  
**Laboratory Fellow**  
**Theoretical Division**  
**Los Alamos National Laboratory, USA**

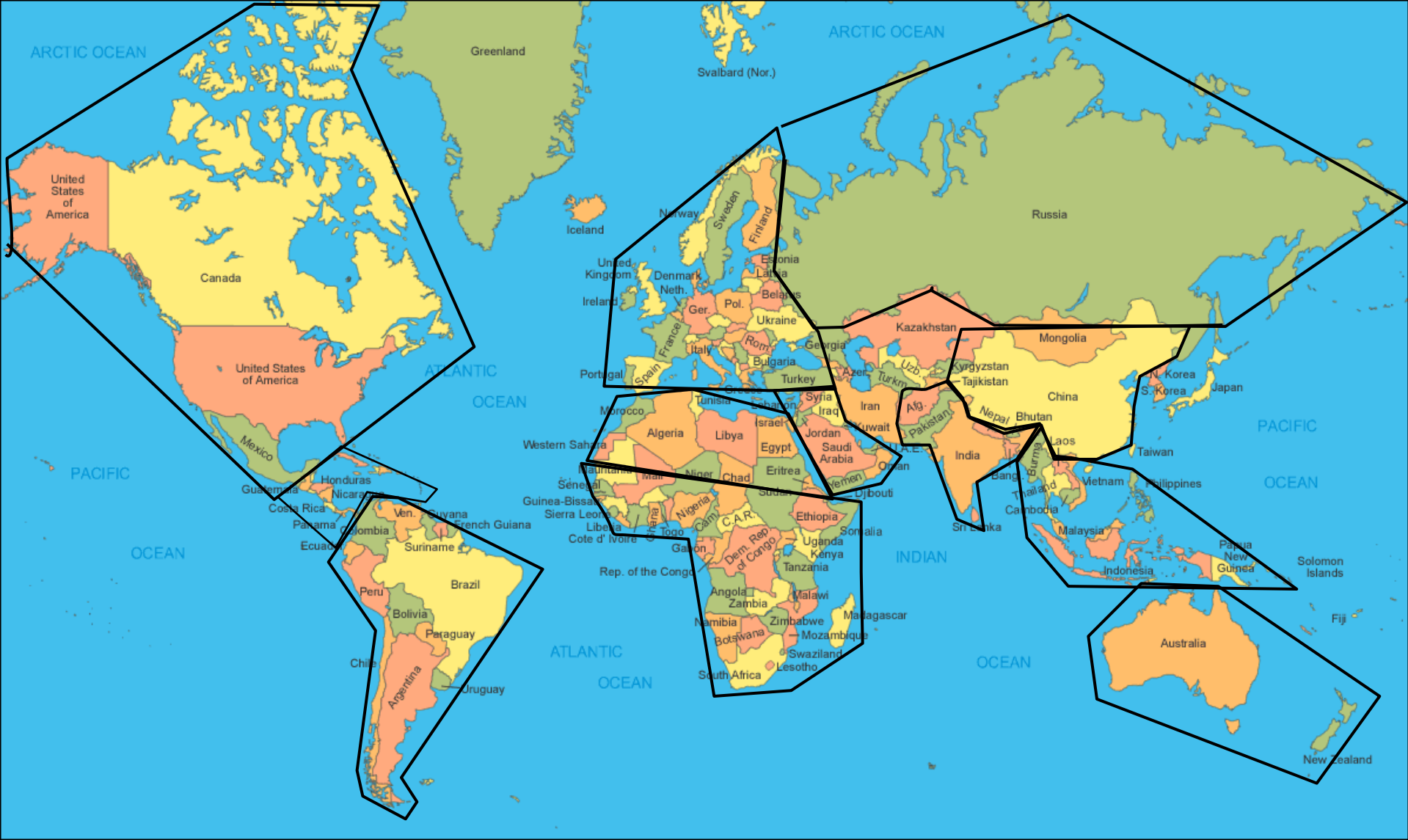


# Outline

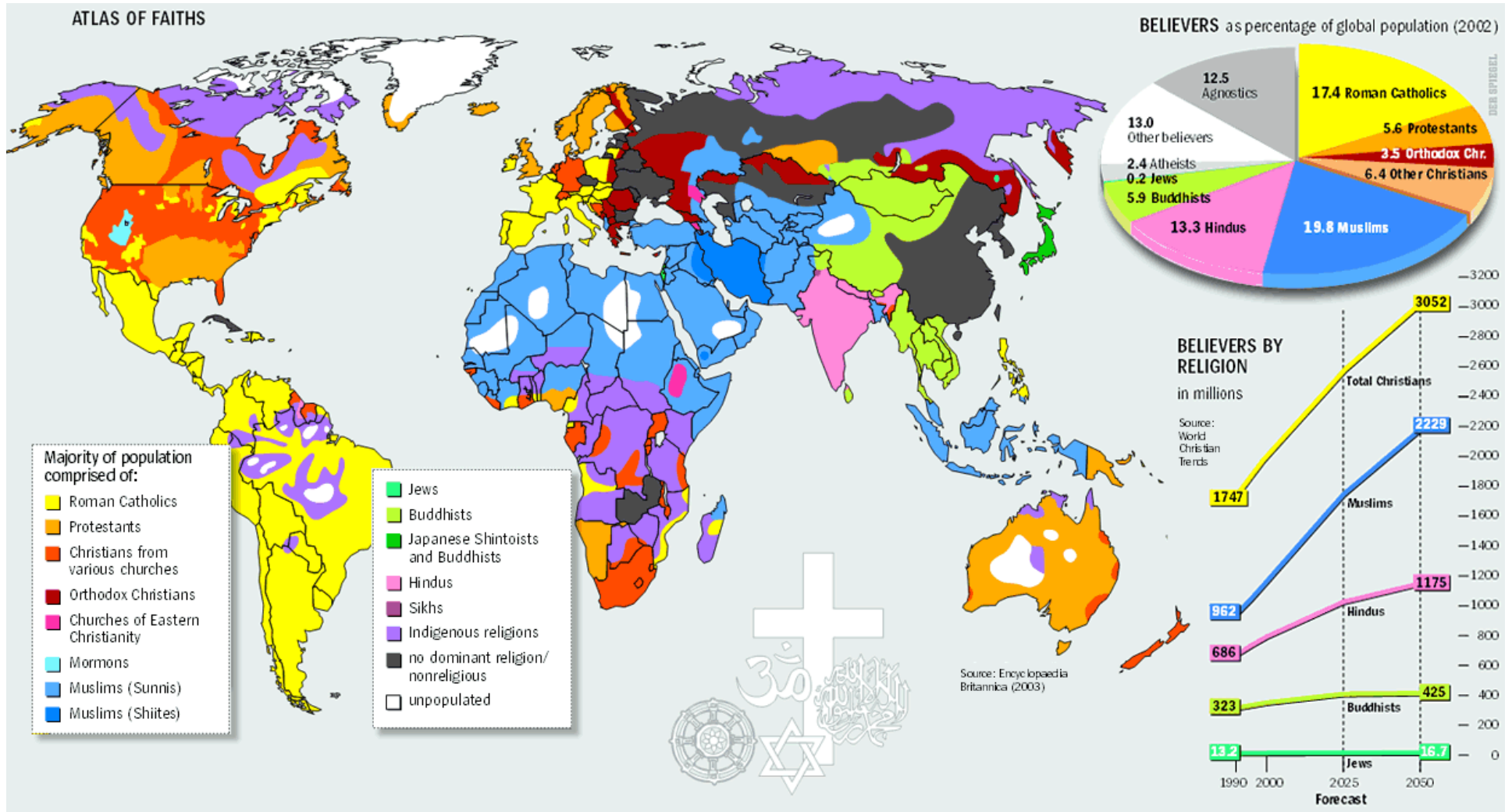
- **Afghanistan in a Multi-polar World:**
  - Regions defined by religion, language, culture, security, ...
  - Concept of Stabilizing Anchors
- **China's Rise and Role**
  - China's Need for resources and markets
  - Threats and opportunities
- **Facilitating Development**
  - Education, Healthcare, Infrastructure, Jobs
  - Identity
  - Functioning Institutions
  - Leadership and Governance

# **A Multi-polar World**

# Regional profile of a multi-polar world



# Regional solidarity: Religion, Culture and Values are major drivers



## Larger framework: Regional Identity based on

- Religion
- Culture
- Values
- Language
- Demographics
- Governance/Civil Institutions
- Economics
- Resources
- Security and Threats



Role  
Models

**→ Regional stability promoted by  
Anchor Nations**

# Regions

- North America
- Central America/Caribbean
- South America
- Europe
- North Africa
- Sub-Saharan Africa
- Arab Middle East
- Russia
- Central Asia & Iran
- South Asia
- South East Asia
- China
- Asian Tigers (Japan, S. Korea, Taiwan)
- Oceania

# Anchors

The USA

?

Brazil

Germany, UK, France

Egypt

South Africa

Saudi Arabia

Russia

?

India, China?

Indonesia/Vietnam, China?

China

Japan, China?

Australia

# Region rich in resources and yet exhausting itself because of poor governance and inadequate cooperation

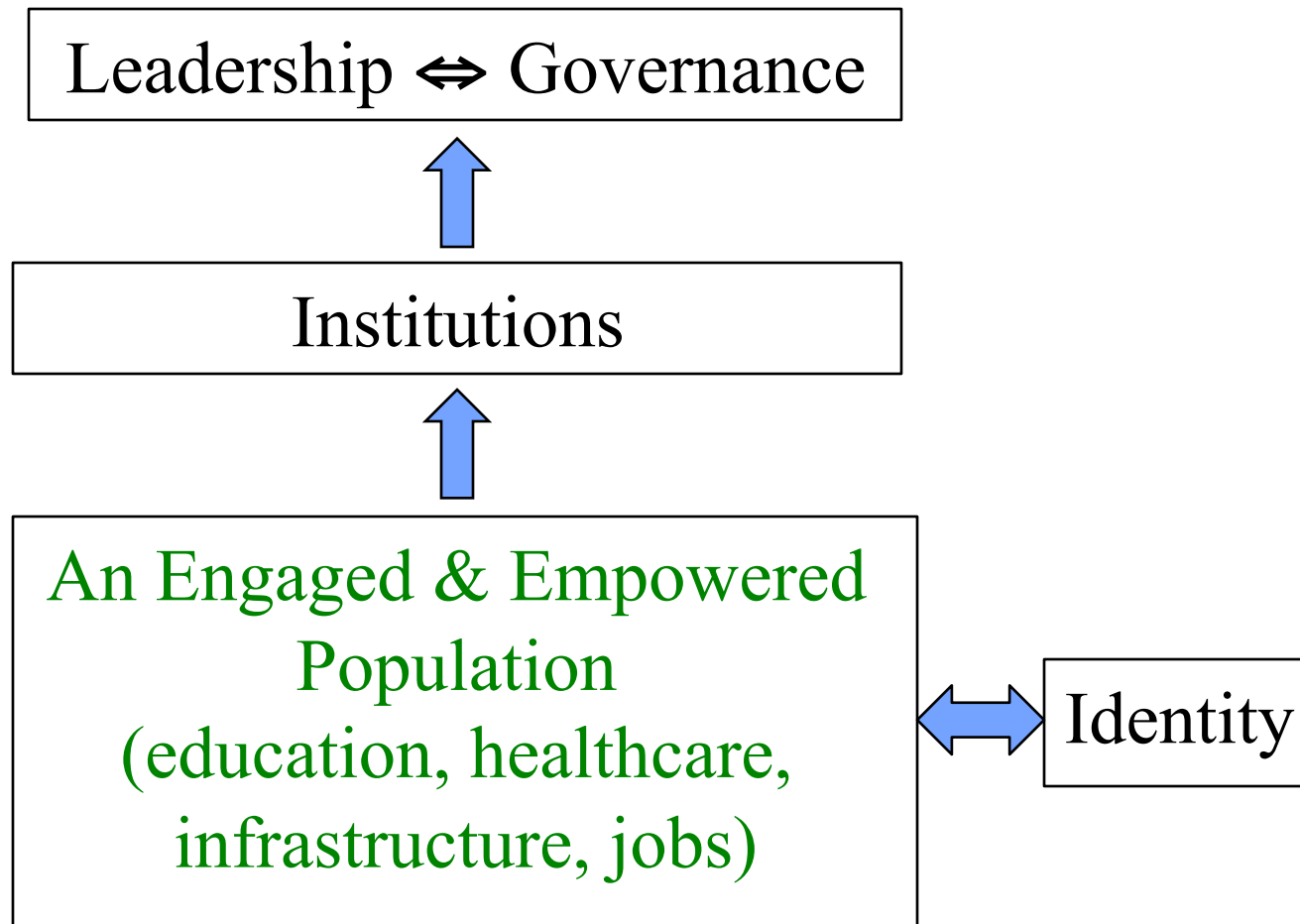




# Afghanistan

- A stable nation state in “equilibrium” pre-1975
  - Feudal society. Multiple regional centers of power
  - Agriculture based
- Much has changed since 1979
  - 30+ years of devastation
  - Population has more than doubled
  - More land is under environmental/climate stress
  - Universal education, technical development, globalization hard to reconcile with a feudal system
- What is the new “equilibrium”
  - Vision of the people of what they want Afghanistan to be
  - Leadership: in civil, political, business, technical arenas
  - Institutions

# How does one change a dysfunctional system?



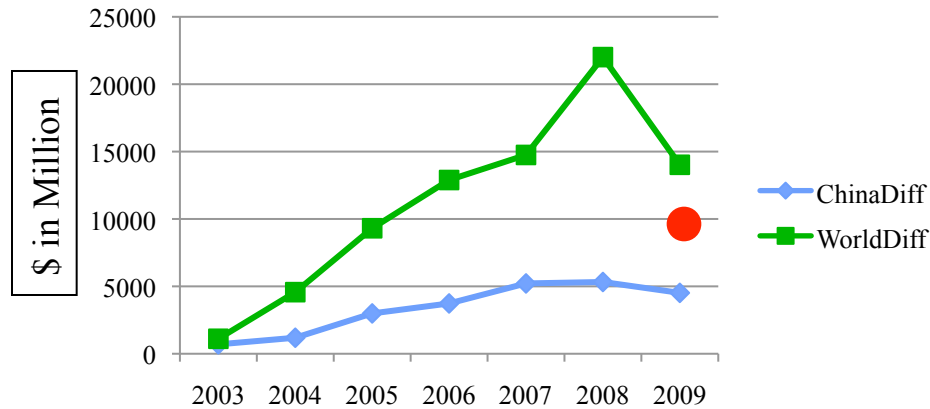
# Will China, an economic superpower, help transform the region?

- To develop 1.35 billion people China wants Resources and Markets not Competitors
  - South East Asia
  - Indian Sub-continent
  - Middle East
  - Africa

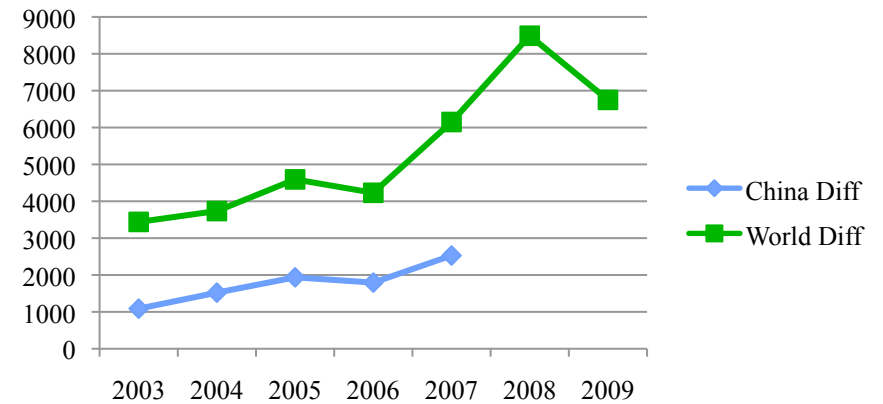
*What finished goods can the whole region (from Morocco to Indonesia) manufacture to create jobs, and boost exports to avoid unsustainable deficits?*

# Trade Deficits vis-à-vis China/World

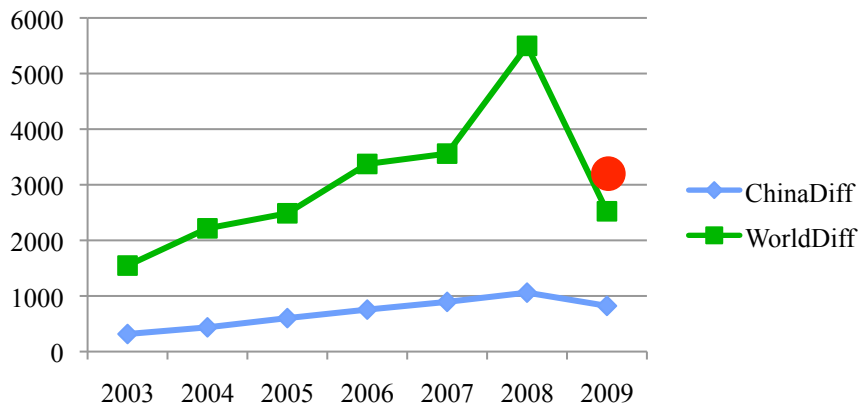
## Pakistan



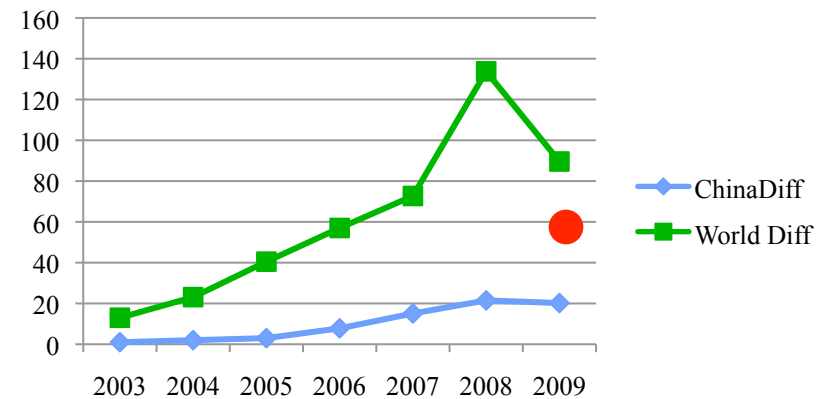
## Bangladesh



## Sri Lanka



## India



● Remittances from workers abroad

Data from <http://comtrade.un.org/db/>

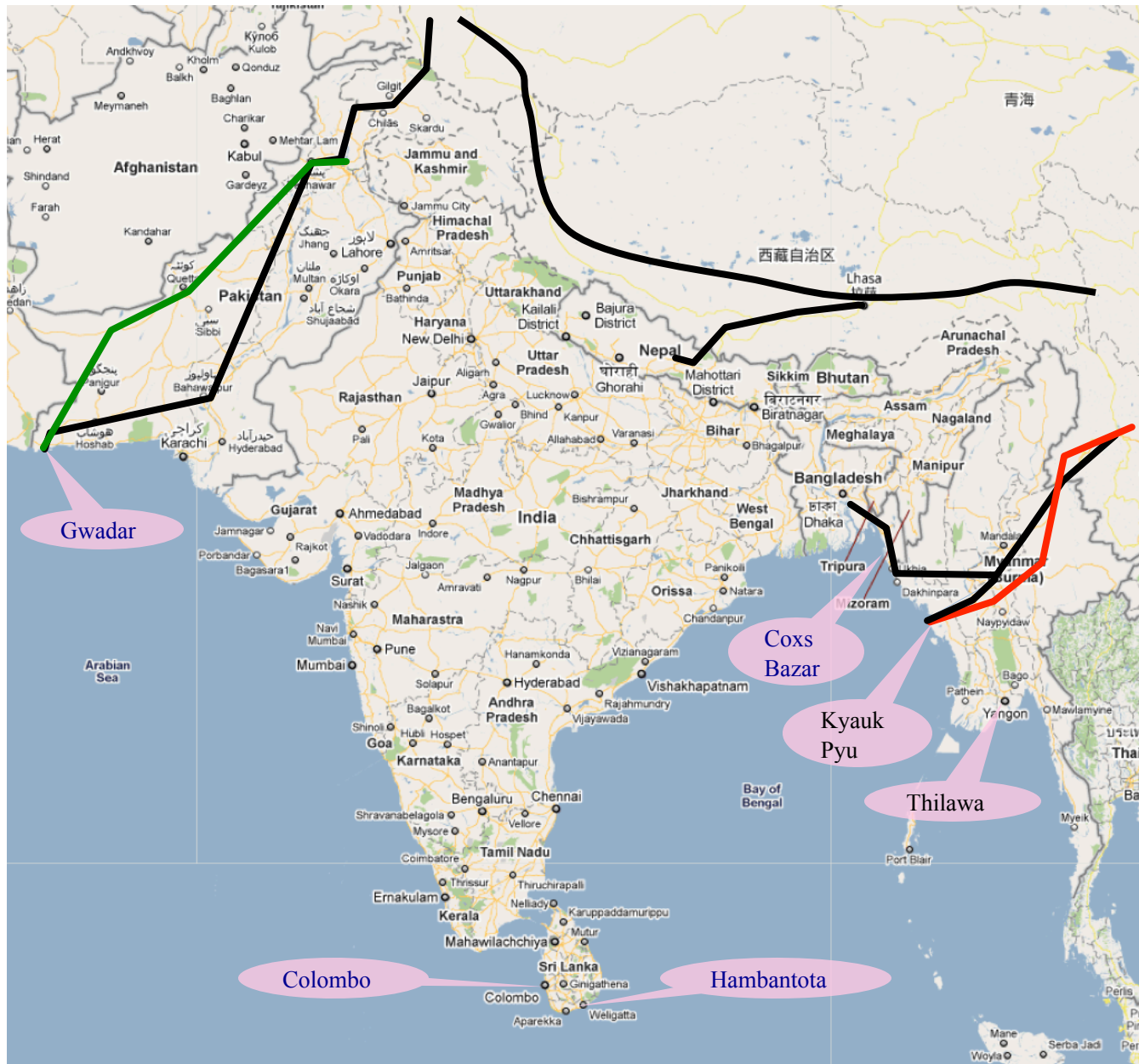
# Establishing land routes and markets



# Access to Indian Ocean crucial for Chinese Trade (Building a large Blue Water Navy)



# China's strategic presence in South Asia



- Roads
- Rail Lines
- Pipelines
- Sea Ports  
“the string of pearls”

# India's poor relations with Pakistan & Burma = China de facto controls land routes



No land routes for trade to

- Persian Gulf
- South East Asia

Can India play a  
transformational role?



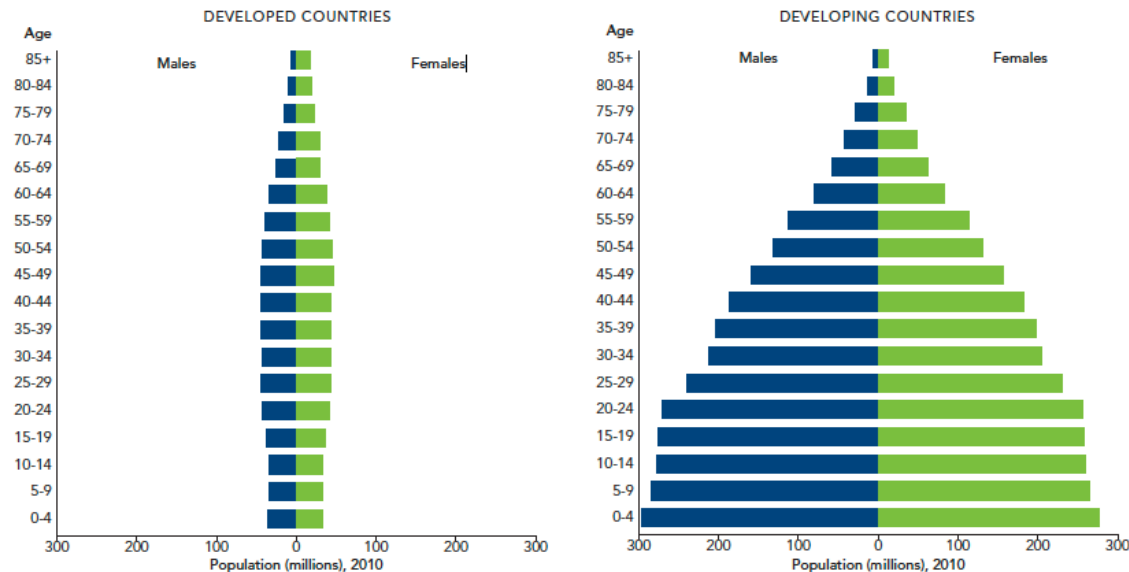
Will nations in the region end up becoming  
client states of China?

“The Chinese Economic Juggernaut”

Or will they cooperate and develop sustainably?

# Demographics will play a big role

- Sub-Saharan Africa
  - 0.8B → 1.65 Billion people (2050)
  - Only large scale migration possible to Europe
- Indian Subcontinent
  - 1.5B → 2.4 Billion people (2050)
  - No opportunities for large scale migration
- Aging populations in developed countries & China
- **Educating, Training and employing a skilled labor force**

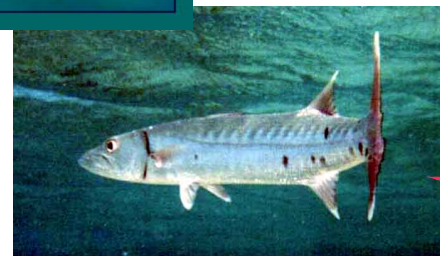


20-30 year demographic dividend with decrease in fertility if there are jobs

# A macro view of the global population

2.2 billion live in 21<sup>st</sup> century

Health Care  
Education  
Energy  
Water  
Job Skills  
Jobs



1.5B  
people  
in  
Transition

3 billion live in 18<sup>th</sup> century  
i.e. on less than \$2<sub>ppp</sub> /day  
*(Additional 3.5B will start here)*

## **In a complicated and fast changing world how do we define/quantify**

- *Intent and leverages*
- *Important, relevant issues/actors*
- *Interjection/Facilitation Points*

## **Empower people on the ground capable of leading change?**

- *Technology to create networks (internet, cell phones, ...)*
- *Maternal and reproductive health*

## **What aspects of the problems are amenable to**

- *Abstraction?*
- *Modeling and scientific analysis?*