

A Crossroad to Economic Triumph or Terrorism: The Afghanistan-Pakistan Transit Trade Agreement

Vivian Chiu Cochran
School of Graduate and Continuing Studies in Diplomacy
Norwich University
Northfield, Vermont 05663
viv.cochran@gmail.com

Abstract

Pakistan and Afghanistan have long had a strained relationship with the heart of the conflict originating from their shared border. After the US-invasion of Afghanistan in 2001, the Taliban retreated into Pakistan border areas, specifically the Federally Administered Tribal Area, the province of Baluchistan, and the North West Frontier Province. With ethnic and tribal rivalries, social unrest, and a terrorist presence, the volatile border region is a hotspot for criminal and terrorist activity. In 2011, Afghanistan and Pakistan signed the Afghan-Pakistan Transit Trade Agreement (APTTA). Although the APTTA promises to be an economic boon, the simplification of movement of goods across borders may work to the advantage of insurgents and their cross-border activity. Key transit nodes in Pakistan also correlate with known insurgent hot spots to include Karachi, Quetta, Chaman, and Torkham in the Khyber Pass. The collusion of goods movement and insurgent presence promulgates insurgent activity and region instability. A regional and cohesive security plan is needed to ensure the increased freedom of movement of goods is not exploited by insurgent forces. Immediate political action must occur to develop a comprehensive security aspect that will turn APTTA into an economic success and not a security failure between Afghanistan and Pakistan.

Key Words: Afghanistan Pakistan Transit Trade Agreement, APTTA, Terrorism, Customs, Insurgency, and Border

Introduction

Pakistan and Afghanistan have long had a strained relationship throughout history with the heart of the conflict originating from their shared border. With the British imperialist establishment of the Durand Line, the separation of the Pashtun people on opposite borders, Pakistan's support of the Taliban and other militants, and unmonitored borders, the 1,640 mile long border continues to be the key destabilizer between the two countries. After the US-invasion of Afghanistan in 2001, the Taliban retreated into Pakistan's Federally Administered Tribal Area (FATA) at the center of the border, as well as in parts of the Pakistani province of Baluchistan to the west and the North West Frontier Province to the east and south. The Baluchistan province of Pakistan also shares a fair portion of the Afghan-Pakistan border, and the province is home to a native insurgency that seeks independence from the Government of Pakistan. With ethnic and tribal rivalries, social unrest, and a consistent terrorist presence, the volatile border region is a hotspot for criminal and terrorist activity.

Because Afghanistan is a land-locked state, it relies heavily on import and exports, with Pakistan being one of the largest trading partners. The Port of Karachi is Pakistan's largest and busiest seaport that is the gateway for goods destined for Afghanistan. The Taliban have been

A Crossroad to Economic Triumph or Terrorism

reported as setting up their financial headquarters in the Karachi area. The bulk of Afghan and Pakistan trade movement crosses at the Torkham border crossing town in the Khyber Pass of Pakistan's FATA region and the second busiest crossing point is Afghanistan's Spin Boldak crossing point that borders the Chaman, Pakistan area. Spin Boldak is historically known as the birthplace of the Taliban. Chaman is the gateway for trade routes between Karachi and Afghanistan, and it is also a key city in the Baluchistan province. With the flow of goods and the presence of terrorist groups and militants in these key areas, the collusion of movement and insurgent presence promulgates insurgent activity and region instability.

In June 2011, Afghanistan and Pakistan signed the Afghan-Pakistan Transit Trade Agreement (APTTA). The intent of the APTTA is to boost the economies of both countries by simplifying the movement of goods between their borders, and to decrease cross-border smuggling, and to increase government revenues from legitimate trade. Although the APTTA promises to be an economic boon, the simplification of movement of goods across borders may work to the advantage of insurgents and their cross-border activity. As in the case of other nations creating regional free-trade agreements, the act in turn creates more permeable borders and looser controls. APTTA can be a key political agreement that strives to improve mutual relations between Afghanistan and Pakistan, but a regional and cohesive security plan must be mutually developed and agreed upon to ensure the increased freedom of movement of goods is not exploited by insurgent forces. With the newly implemented APTTA, it is critical that immediate political action be taken to develop a comprehensive security aspect to APTTA that addresses heightened vigilance and improved processes that will turn APTTA into an economic success and not a security failure between Afghanistan and Pakistan.

Areas Of Concern

This document will focus specifically on Afghanistan and Pakistan despite the APTTA's potential to expand its administration with other countries. Although some of the issues identified are very specific, they are based off observations of customs operations at the Spin Boldak and Chaman border crossing areas from the summer of 2010 to summer 2011. Despite the APTTA still being in the early stages of implementation, the true short-term effects whether positive or negative have yet to be seen. Pakistan claims that typically-smuggled goods have seen a positive increase in legitimate revenue. Afghanistan and the United States have yet to announce any effects of the APTTA to date. Political dealings have seen progress, but implementation of proposed policies is still painfully slow. There is also a striking dearth of open-source information on any linkages to possible terrorist/insurgent exploitation of transit trade. This is most critical since many key terrorist and insurgent-populated regions are situated in the heart of key transport nodes. There are considerable if-not limited reporting updates from Pakistani media and generic press releases, but silence from the Afghan and American officials. Design and "unrealistic optimism" of the APTTA is clearly on the civil-political side, but enforcement will fall largely on the security and military forces in both respective countries. APTTA is idealistic and slightly chimerical, and an enforcement or security mechanism must be incorporated since often lax customs operations and trade functions are trivial obstacles to terrorist activity. Even with current border and customs operations, the Pakistan-Afghanistan border is still dangerously and notoriously porous. Cross-border transport of illicit materials and weapons remains prevalent and unchanged. Afghanistan has been plagued by endemic corruption within its own military forces, and its forces that patrol/secure the border are not

immune to turning a blind eye to illicit goods transport. Afghan forces are renowned for brutally soliciting bribes to fill their own pockets at border crossing points. The Pakistani military and ISI allegedly turn a blind eye to terrorist/insurgent operations and activity, which is counter to the Pakistani government's questionably limited attempts at counter-terrorism efforts. The intelligence community is undoubtedly monitoring transit routes for terrorist activity, but successful implementation and desired success of the APTTA requires policy makers to identify the security aspect of how more lenient modes of transport will be to the benefit of terrorists and insurgents, especially for goods or finances destined for nefarious or illicit cross-border activity.

History of the Durand Line

The Durand Line was established on November 12, 1893 between Britain's foreign secretary of India, Sir Henry Mortimer Durand and Afghanistan's ruler, Amir Abdur Rehman Khan. The intent was to draw a boundary between Afghanistan and British India. The boundary followed convenient existing geography and British territorial limits. Ethnic and tribal borders were ignored, thus essentially splitting the Pashtun nation in half. The situation is best described as a "largely imaginary boundary [that] has been viewed since its inception with contempt and resentment by Pashtuns on both sides of the line. As a practical matter, the border is unenforced and unenforceable. In some places the position of the line is disputed; in others it is inaccessible to all but trained mountain climbers; in still others it cuts through the middle of villages and even through individual homes" (Johnson and Mason, 2008). After the modern state of Pakistan was established, the Durand Line remained a source of contention between the two states.

Terrorism and Insurgency in the Border Area and Key Transit Locales

Since the US invasion of Afghanistan in 2001, thousands of Taliban fighters and the Taliban leadership found sanctuary in Pakistan's Federally Administered Tribal Area (FATA) at the center of the 1,640 mile-long border, as well as in the Pakistani region of Baluchistan to the west and the North West Frontier Province (NWFP) to the east and south. All three areas are dominated by the ethnic Pashtun. Taliban and other Islamic extremists that operate on both sides of the border are almost exclusively Pashtuns. Around 2002 and 2003, Al Qaeda operatives were infiltrating into Pakistan's FATA, such as the Shakai Valley in South Waziristan and then moving into North Waziristan. Since 2006, Talibanization has increased and expanded into the Peshawar region, which is the capital of the NWFP. With the Pakistani government's lack of action in counter-terrorism activity in FATA, the country has allowed a permissive environment for terrorist growth, recruitment, training, command and control, and a launch and recovery point for cross-border attacks.

Two of the most established border crossings handle the bulk of legal cross-border traffic: Torkham at the north end of the Khyber Pass and Chaman in the south. Torkham is significant since the area surrounding it hosts the Afghan provinces of Badakshan, Khost, Kunar, Nangarhar, Nuristan, Paktia, and Paktika; all seven agencies of Pakistan's FATA, and a section of the NWFP (Johnson and Mason, 2008). North-west of Torkham is Kabul, Afghanistan's capital. The northern border area is virtually all Pashtun and it is noted for its loose political system of tribal autonomy. (Reference Figure 1.)

In the south, Chaman is the border town linking Quetta, Pakistan and Spin Boldak, Afghanistan. Spin Boldak holds historical relevancy as it was the birthplace of the Taliban. Spin

A Crossroad to Economic Triumph or Terrorism

Boldak is key in the southern Kandahar region as it is a known transit area for cross-border Taliban. The Afghan side hosts Zabul, Kandahar, Helmand, and Nimruz provinces; whereas the Pakistan side hosts the indigenous Baluch ethnic group. The most significant city in Baluchistan is the provincial capital of Quetta. It is critical to caveat that only the Pashtuns have demonstrated interest in the jihadist activity waged by the Taliban (Johnson and Mason, 2008). Three major ethnic groups populate the southern border section: Pashtuns from the Pishin hills up to the FATA; Quetta lies on an ethnic boundary that is half Pashtun and half Baluch; and west of Quetta are Baluchis and the Brahui (Johnson and Mason, 2008). The Baluchistan province is host to an internal low-level insurgency that attacks Pakistani government targets. The main goals of the Baluchi insurgency seek autonomy, reinstatement of Baluchisøtribal land rights and authority of local chiefs, and a distribution of resources in the region to the Baluchisø(Johnson and Mason, 2008).

Figure 1. The Pakistan-Afghanistan Border and Frontier Area



Source: (Johnson and Mason 2008, 43)

The Taliban and Al Qaeda have established these Pashtun lands as a launching point for insurgent attacks in Afghanistan and Pakistan as well as training grounds to launch international terrorist attacks. The border areas have been crucial to the Taliban who use Pakistan as a staging point for their attacks in Afghanistan. Other known insurgent groups in the border territories include the Afghan Islamist Hizb-i-Islami (HIG) Party, the Haqqani Faction, the Tora Bora Front, the Hizb-i-Islami Khalis, and the Tehrik-e-Taliban Pakistan (Ali and Whitlock, 2008). The presence of these insurgent forces all contribute to the threats against Afghan and Pakistani government, thus further destabilizing the region. Pakistan has demonstrated a poor ability to contain the Afghan Taliban and local insurgent threat as well as foreign jihadists within their own borders. This will only perpetuate a consistent state of radicalization and extremist activity in these key areas, thus destabilizing southern Afghanistan and simultaneously threatening and undermining Pakistan's democracy.

Quetta is critical in that the Taliban resettled in the area after the US invasion of Afghanistan. The Taliban began to reestablish political, military, and religious committees around Quetta due to its easy access to Afghanistan's southern provinces, including Kandahar, which is key territory in the war in Afghanistan. The State Department reported that, "Quetta is the hinge, enabling communication between fronts and providing safe haven for Taliban leadership, logistic and information operations" (U.S. Department of State, 2006). In February 2012, a small delegation of Afghan officials traveled to Quetta, Pakistan to meet with mid-level Taliban leaders to seek potential peace negotiations with the Taliban (Sameem, 2012).

After the fall of the Afghan Taliban, a large number of Taliban leaders escaped into Pakistan's Baluchistan province, most notably among them was Mullah Omar. Today, many Taliban experts believe Mullah Omar is now living in Karachi, and that Omar has enjoyed relative freedom of movement and occasionally travels between Karachi and Quetta (Coll, 2012). As the Taliban regrouped, they eventually relocated much of their financial base to Karachi - Pakistan's financial and commercial center. Karachi's role as a central international transport hub contributes significantly to drug trafficking originating from Afghanistan. Afghan heroin is known to move efficiently, with traffickers adjusting routes based on law-enforcement and political actions. The Afghan traffickers travel by vehicle and truck on land routes to move drugs out of Afghanistan. Drug convoys deploy to southern and western Pakistan while other heroin shipments are moved to Karachi for onward shipment overseas (Jones, 2010). Although precise statistics are unavailable, a third of Afghanistan's opium is believed to pass through Pakistan to cater to local needs and for onward smuggling to markets in other countries (Yusufzai, 2011). On a daily basis, Karachi is a hotbed of rivalries between different militant groups and political factions, and their violence is played out in the city streets. As recently as 05 January 2012 and December 2011, a senior Pakistani Taliban leader and several other terrorists were captured (Lister, 2012). Overall, Pakistan created a permissive environment for extremists to thrive in along the border region and their ability to operate with no fear of capture has enabled insurgents and terrorists to relocate to key transit locations.

Background of the Afghanistan Pakistan Transit Trade Agreement

The APTTA Memorandum of Understanding (MoU) was signed in Islamabad on July 18, 2010 by Pakistan and Afghanistan's respective secretaries of commerce in the presence of the US Secretary of State and the Pakistani Prime Minister. The new APTTA replaced the 1965 transit trade agreement which was deemed outdated and flawed. The 1965 Afghanistan Transit Trade Agreement (ATTA) aimed to facilitate the transit of goods exported from and imported to Afghanistan using Pakistan's port of Karachi. The APTTA went into full implementation on June 12, 2011 and was intended to "provide a boost to the economies of both countries by reducing the costs and delays in transport between Pakistan and Afghanistan." It will help both countries expand their reach to world markets and improve the competitiveness of Afghanistan's exports" (U.S. Department of State, 2006). The agreement also seeks to reduce cross-border smuggling and to promote legitimate and increased government revenues. The new agreement will allow the use of more ports and carriers - to include Afghan trucks - and will also increase the number of border crossing points. APTTA will also enable Afghan exports to India by utilizing the land border between Pakistan and India (UNCTAD). APTTA also aspires to utilize Afghan territory for trade between Pakistan and Central Asia. The United Nations Conference

A Crossroad to Economic Triumph or Terrorism

on Trade and Development summarizes that APTTA is critically and mutually beneficial to its involved parties:

For Afghanistan, among the main benefits is improved access to overseas markets through Pakistan's ports. For Pakistan, it is particularly important to obtain better access to Central Asian market. In addition, transit trade goods travelling through both countries to and from other nations can generate income through the expanded use of transport logistics services in Afghanistan, a landlocked country, and from greater use of ports in Pakistan. Although Afghanistan is a landlocked country, its geographic position gives it a potentially large role as a gateway for trade to the Central Asian interior (UNCTAD, 2011).

For Pakistan, it is particularly important to obtain better access to Central Asian countries such as Uzbekistan, Tajikistan, Turkmenistan, and beyond to Kazakhstan and other key trading partners. APTTA essentially links Afghanistan to the world through three Pakistani ports (Karachi, Qasim, and Gwadar) under designated routes rather than reliance on two routes and one port under the 1965 Agreement. Most significantly for Afghanistan, the new agreement allows Afghans to load goods at these Pakistani ports and return with imports from Pakistan or third countries. Moreover, APTTA opens Afghan exports to China and India. Afghanistan's previously irrational trade structure revolved around Afghanistan's dependence on imports for basic goods. APTTA will open doors previously closed to Afghanistan.

In summary, APTTA establishes the regulation in which Afghan businesses can export goods easily through Pakistan to India, China, and beyond. Afghanistan will also be able to import goods quicker via Pakistan. Similarly Pakistan will also be able to export their products to Afghanistan with a smoother customs and paperwork process.

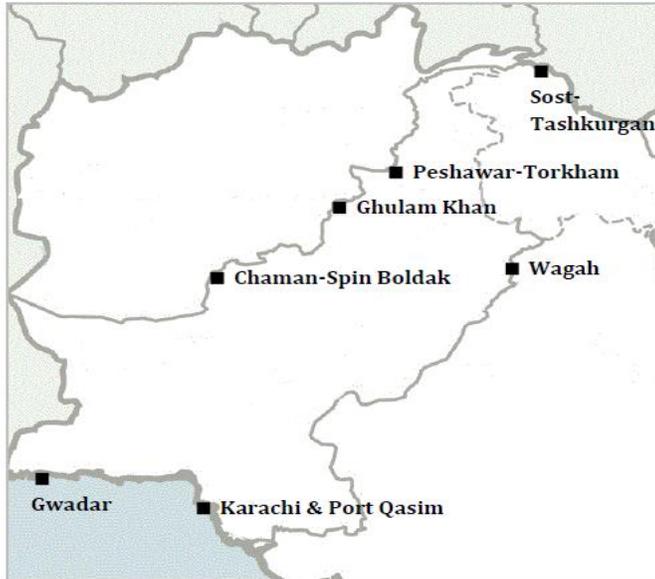
Key elements of the APTTA include the following (NTTFC, 2010; Zyck, 2011):

- Transit through the two countries must occur at pre-designated routes, ports, and border crossings
- Both countries are obligated to provide suitable customs facilities and personnel at the border crossings
- Harmonize and simplify customs procedures as well as standards and regulations for licensing transport operators
- Truck drivers will be able to drive from their country of origin to final destination without having to transload their goods onto the different country's trucks at border crossings. For example, Pakistani trucks entering Afghanistan will no longer need to reload their cargo onto Afghani trucks and vice versa.
- Both countries will recognize each other's drivers licenses and vehicle registration documents; additionally, the countries will expedite and simplify multiple-entry visas processing to truck drivers from each other's countries
- Up to 5% of containers arriving at the ports of entry will be subject to search unless signs of regulatory violations are found

Implications of APTTA

The APTTA authorizes a number of routes of which Afghan goods can transit through Pakistan en route to India or other countries. The routes begin and end at the listed border crossing and ports (see Figure 2): Peshawar-Torkham, Chaman-Spin Boldak, Ghulam Khan, Sost-Tashkurgan, Port Qasim, Karachi, and Gwadar port. The already porous border areas will become even more permeable in plain sight at customs and border crossings with regional (transit) trade agreements.

Figure 2. Border Crossing/Ports in the APTTA



Source: (Zyck 2011, 2)

With the development of easier cross-border travel and simplified processes, there is an increased likelihood that terrorists can exploit initial weaknesses and inconsistencies in the early stages of APTTA's implementation. Despite alleged "streamlined" processes, these improvements will enable terrorists to better communicate and transport smuggled materials and personnel under the guise of transiting licit goods. The region's borders will become more lax as terrorists have greater access to freedom of movement and ground line of communication.

The APTTA lists 13 routes of which transit land movement will occur (NTTFC, 2010):

- Route 1.** Karachi/Port Qasim - Hyderabad - Sukkur - Multan - Faisalabad -Pindi Bhattian - Rawalpindi - Azakhel ó Peshawar- Jamrud Terminal Torkhum.
- Route 2.** Karachi/Port Qasim - Hyderabad - Rotodero - D.G. Khan -D.I. Khan ó Kohat- Peshawar - Jamrud Terminal-Torkhum.
- Route 3.** Karachi - Bela - Khuzdar - Kalat - Quetta - Chaman Terminal.
- Route 4.** Karachi/Port Qasim - Hyderabad - Rotodero - D.G. Khan -D.I. Khan - Kohat - Bannu - Meram Shah - Ghulam Khan.
- Route 5.** Gwadar - Pasni - Ormara - Liari - Khuzdar - Kalat - Quetta -Chaman Terminal.
- Route 6.** Gwadar - Turbat - Hoshab - Panjgur - Naag - Besima - Sorab - Kalat - Quetta - Chaman Terminal

A Crossroad to Economic Triumph or Terrorism

Route 7. Gwadar - Pasni - Ormara - Liari - Karachi - Rotodero - D.I. Khan - Kohat - Peshawar - Jamrud Terminal óTorkhum

Route 8. Gwadar - Turbat - Hoshab - Panjgur - Naag - Besima - Khuzdar Rotodero - D.I. Khan - Kohat - Peshawar - Jamrud Terminal -Torkhum.

Route 9. Gwadar - Pasni - Ormara - Liari - Karachi - Rotodero D.I. Khan - Kohat - Bannu - Meram Shah - Ghulam Khan.

Route 10. Gwadar - Turbat - Hoshab - Panjgur - Naag - Besima Khuzdar - Rotodero - D.I. Khan - Bannu - Meram Shah - Ghulam Khan.

Route 11. Gwadar - Turbat - Hoshab - Panjgur - Naag - Kalat - Quetta Zhob - Meram Shah - Ghulam Khan.

Route 12. Torkham-Jamrud Terminal-Peshawar (Motorway M-1)-Rawalpindi/Islamabad (Motorway M-2) - Lahore - Wagha.

Route 13. Khunjrab - Sost - Chilas - Mansehra - Hasanabdal - Peshawar Jamrud Terminal ó Torkham

In these key transit routes, the areas of interest that are hotbeds of insurgent and terrorist activity fall within operation of APTTA's trade routes to include: Karachi, Chaman ó Spin Boldak, Peshawar ó Torkham, and Quetta, Baluchistan. Reference Figure 3.

Figure 3. Pakistan transit route points with known insurgent hotbed locales



Source: Adapted from India Pakistan Trade Unit map (IPTU 2008) with information from NTTFC, 2010.

Currently truck drivers, assistants, and other individuals with cargo trucks arrive in respective destination countries without formal visa procedures (Chaudry, 2010). Part of the APTTA seeks to streamline visa issuance to these individuals. Until visa issuance is a quick and painless process, many truck drivers are likely to continue transporting goods with no personal documentation. In Afghanistan, the entry and departure of individuals either by vehicle or on foot is not monitored with visa documentation. Drivers and pedestrians simply move freely during open border hours. The expanded number of trade routes opens the potential for terrorists and insurgents to openly utilize the routes under the guise of trade transit to move illicit goods, materials, and personnel within Pakistan. With no means of tracking passengers in trucks, the true test of identity will likely only be questioned upon entry at border points with visas, if the visas are even checked under implementation of APTTA. Only vigilance and effectiveness of customs agents and security personnel will determine intervention of falsified documents. No existing mechanism is in place to check and enforce misuse of transit routes besides checkpoints and vigilance of guards. The employment of biometrics is a surefire means of identifying legitimate transporters from dangerous individuals on insurgent/terrorist watchlists, but that may take years to implement.

It is estimated that around 50,000 pedestrians traverse Pakistan and Afghanistan daily without any travel documents via the Torkham and Chaman border towns ó the only two legitimate crossing points along the border (Yusufzai, 2011). Traffic is two-way due to tribal people living in the border areas crossing into Afghanistan for daily work without visas. On average, Pakistan issues 1,200 multiple-entry visas to Afghans daily, whereas more than 50,000 Afghans also cross into Pakistan every day without any travel documents (Yusufzai, 2011). Insurgents moving across the border are not limited to entering strictly at legitimate crossing points, but they also consistently take advantage of adjacent porous and un-monitored crossing points. Insurgents essentially still have freedom of movement on foot due to open border traffic. APTTA does not cover pedestrian foot traffic due to its focus on regional trade; however, the increase of transit routes in Pakistan coupled with freedom of foot traffic at border crossings will perpetuate and simplify cross-border movement of insurgents.

Enforcement of the transit trade agreement is a major concern to local industries in that the APTTA creates disadvantages for individuals engaged in legal business as compared to those involved in smuggling of goods. The greatest challenge for trade authorities in both countries will be enforcement of APTTA on the ground. Historical trade routes were traditionally linked with smuggling. Despite military efforts by Pakistan, Afghanistan, and the United States at the Pakistan-Afghanistan border, these efforts have failed to make a visible dent in nefarious activities which purportedly cost Afghanistan and Pakistan millions in revenue.

Job loss for the thousands is feared in Pakistan. Many business owners and Pakistani associations view the APTTA as counter to Pakistan's national and economic interests by increasing unemployment and poverty in the short-term. Pakistanis fear that Afghanistan will rely more economically on India rather than Pakistan now that Afghan trade doors have opened. Many fear that Pakistan's transit sector will be duly affected due to Afghan trucks now able to return to Afghanistan carrying Pakistani merchandise. This will deprive Pakistani transporters of their current and decades-old business of transporting Pakistani goods to Afghan borders (Recorder Report: "LCCI flays APTTA approval," 2010).

A Crossroad to Economic Triumph or Terrorism

From the author's personal experience observing the Border and Customs operations in Spin Boldak from 2010-2011, there is a little-known Spin Boldak customs yard a few kilometers north of the Chaman Border Crossing. That customs yard focuses entirely on transloading agricultural goods from inbound Pakistani trucks onto Afghani trucks destined for further movement north into Afghanistan. Of the hundreds of workers employed within that yard, they are expected to lose their livelihood now that Pakistani trucks entering Afghanistan can continue unimpeded without having to unload their goods. With job loss, whether in Pakistan or Afghanistan, unemployed individuals potentially become susceptible to joining terrorist or insurgent groups out of desperation as a means to support their families.

An interesting point is that International Security Assistance Force (ISAF)/North Atlantic Treaty Organization (NATO) goods travelling from Karachi to Afghanistan are expected to have more stringent tracking and security measures; however, that is not the case. Once NATO goods depart Karachi, there is no check and balance on the system. There is no visibility of cargo en route inside Pakistan; cargo is known to go missing or drivers encounter dangerous robbers, but concerned embassies in the area remain quiet on incidents; and smuggling and disposal of containers within Pakistan is frequent, and not much is done or can be done to counter it (Business Recorder, "Declaring NLC as key agency." 2010). Even with trackers installed on containers destined for NATO, the trackers only come into play at final destination. It is common for NATO-bound cargo to frequently come across the border without trackers due to travel, carelessness, or even tampering. From the author's personal experience in studying cross-border traffic confirm the lawlessness Pakistani NATO drivers experience traversing through Pakistan as well as the frustration ISAF personnel face in receiving and accounting for goods that come across the border. The system is fractured and tactical details are lost in bureaucratic structure. NATO forces are simply left to collect what actually comes across the border and are left to wonder about the fate of the cargo (and the drivers) that don't make it across the border. Pakistani NATO truck drivers face extreme dangers of abduction, robbery, killings, and risk getting their trucks set ablaze by Taliban and militants who view truck drivers as traitors for supporting NATO. Even with the United States government and NATO forces importing supply and equipment, the utilization of tracking mechanisms has not been entirely successful. Afghanistan and Pakistan are currently working to finalize details on the installation of biometric systems and tracking devices on transport units. Pakistan's Federal Bureau of Revenue and Afghanistan's Ministry of Interior seek to decrease smuggling in the garb of transit trade by installing tracking devices on transport units and to utilize customs-to-customs information sharing through data transfer information technology (Abrar, 2012). If ISAF and NATO have been unable to crack the code of cargo tracking through Pakistan, it is unlikely that Afghanistan and Pakistan will be able to produce a tracking program in a timely fashion to resolve traditional import/export movement under APTTA.

Additionally, the implementation of a data transfer system to jointly monitor goods at customs facilities may take years to come to fruition. The United Nations Conference on Trade and Development (UNCTAD) has tried to install the Automated Systems for Customs Data (ASYCUDA) (a computer program and network aimed at simplifying customs data input and tracking) at customs facilities at the Chaman border crossing and Kandahar Inland Customs Depot for at least two years. Torkham is the only customs station on the AFGPAK border that operates the data system (ASYCUDA). Bureaucratic stagnation and inaction from all parties involved have shown that implementation of computerized systems and networks neither occurs

instantly nor easily. Until the two countries can identify and implement an effective data entry, tracking and biometrics plan, insurgents and terrorists can capitalize on the status quo of operations with relative freedom of movement.

Of note, Afghanistan also has a small population of Customs Police, but during the author's time in Afghanistan, it was made woefully apparent to NATO forces, the Department of State, and Afghan Customs that their own Customs Police were understaffed, undertrained, underequipped, and consistently overshadowed by Afghan military and political power brokers. Customs police roles are simply relegated to security guards rather than customs enforcers. If illicit goods and materials come through their jurisdiction, they are sadly unprepared, poorly resourced and powerless to handle contraband that comes into their areas of operation. In order for customs facilities to be properly manned and effective, the Ministry of Interior absolutely needs to train and empower their Customs Police to meet the demands of enforcing customs regulations and standards.

Liberalization in Trade and Transit

Fully westernized countries have made their own nations more susceptible to terrorist exploitation by opening their borders for trade and travel. Despite increased security at well-developed airports and border crossing points, terrorists have moved freely between countries with passports and visas (whether real or counterfeit). Infamous attacks on United States targets such as the 1993 World Trade Center bombing and the failed Millennium Plot attack (from Islamic fundamentalists in Canada targeting American airports) showed that terrorists can enter countries through legitimate ports of entry despite their hidden intent of planned nefarious activity. The infamous Christmas Bomber of 2009 was able to travel from Ghana to Amsterdam to Detroit, but he failed to detonate his bomb on his Detroit flight. These examples demonstrate that even advanced international air travel security systems are weak and porous. With sheer luck and vigilance from surrounding individuals, many of the terrorist attacks failed due to faulty equipment or vigilant citizens who observed odd behavior and activity.

Such as the case of East Asia, countries that economically developed too quickly failed to consider terrorist growth within their country. Socioeconomic liberalization in East Asia contributed to a rapid growth of terrorism, specifically marginalizing some citizens thus causing disenfranchisement. Its concurrent opening of borders for trade and travel made movement easier for terrorists and travelers alike. With East Asia opening itself to free trade, its increasingly porous borders and rapid improvements in transport, communications, and information infrastructure have allowed extremists to develop closer ties with other militants, drug dealers, arms dealers, and other dangerous entities in the Middle East and South Asia (Kurlantzick, 2001). Analysts fear that East Asia's mix of socioeconomic marginalization, vanishing borders, and loosening political controls will make the region a volatile area for terrorist operation and growth.

Although Afghanistan and Pakistan are far from reaching the level of economic success such as East Asia, liberalization of borders with trade agreements will create an opportunity for regional instability that runs concurrent with the potential for economic growth. Simplifying trade movement implies that militants and terrorists will search for ways to make the new system work in their favor. Expanding trade routes means a potential physical expansion for on-the-

ground insurgent networking. Expansive networking then leads to increased capabilities and faster operational tempo.

Conclusion

It takes great effort and relation-building between the two countries to make such significant progress on paper, but if the same cannot be translated into concrete actions, all coordination and planning efforts will be for naught. Afghanistan and Pakistan must take into consideration a balanced security and counter-terrorism program in relation to APTTA. Although many of the guidelines for transit trade are laid out on paper, the implementation of APTTA occurred too quickly and most of Pakistan and Afghanistan's banks and trade organizations were unprepared. The APTTA has gone through many growing pains to date. Despite the issuance of the APTTA MoU in 2010, APTTA was intended to go into effect on February 2011. APTTA implementation was delayed for four months due to regulatory disputes and final implementation went into effect in June 2011. Since June 2011, APTTA has been plagued at the political level with unprepared enforcement and execution mechanisms on the ground. For months, trucks destined for Afghanistan were stuck in Karachi because banking and insurance foundations were still not in compliance with APTTA. Much of the frustrated cargo did not start to move until early October 2011, when Afghan customs officials finally traveled to Karachi Port to facilitate movement of the frustrated goods with Pakistan's Federal Bureau of Revenue (Business Recorder, "APTTA goods clearance demonstration in Karachi today," 2011).

The improvements in globalization have enabled terrorists to take advantage of international travel and communication to expand their networking, supply, and operations. With the early-stages of APTTA's implementation, it is very likely that many weaknesses and flaws are still yet to be discovered in the first few years of operation and it can be guaranteed that terrorists and insurgents will be prodding the system to see how the new trade system will affect their movement and support for cross-border operations. The increase in transit routes within Pakistan offers insurgents the ability to move materials, finances, and personnel under the guise of legitimate trade transport. The designated routes all pass through key locations known to harbor insurgent and terrorist groups, particularly Karachi, Quetta, Baluchistan, Chaman/Spin Boldak, the FATA, Peshawar, and Torkham. If insurgents can properly exploit the system (with some creativity), they can utilize APTTA's new rule of being able to maintain a cargo truck from country of origin to cross-border destination without having to risk unloading trucks at border crossings. If APTTA succeeds in drawing in increased revenues for both countries, it can be expected that there will be increased movement on transit routes and a larger volume of cargo and personnel movement at border crossings. Of the two main border crossings along the AFPAK border, Torkham is better developed and Spin Boldak/Chaman is in the process of building suitable infrastructure to meet the intent of improved customs functions. Interdiction of insurgents and illicit materials at border crossing points occur on occasion, but not enough to satisfy overall security improvements for the region. Despite technological advances in customs and heightened security at customs points, insurgents and terrorists will always find creative ways to get around the system. The simplification of trade movement can work in favor of insurgents operating within Pakistan and those who facilitate or execute cross-border operations into Afghanistan. This can perpetuate regional instability, by further expanding travel, communication, and facilitation opportunities for insurgents and terrorists within the region.

It is understandable that Afghanistan's Ministry of Interior and Pakistan's Federal Bureau of Revenue are working to employ security measures for APTTA, but it is critical to understand that enforcement will fall largely on their respective military forces who in actuality are the prime players that can have the most effect. A fine balance should be emplaced to empower the Pakistani military (and possibly the Inter-Services Intelligence) to monitor trade routes for suspicious personalities and illicit materials/good. The same will need to apply to Afghanistan, however, its own law enforcement, customs police, and military are not empowered and well-trained enough to sustain effective operations.

The United States should maintain a consistent presence in mentoring both countries behind the scenes in how to develop a sound security plan for APTTA, especially since the US was the key facilitator for APTTA. Both countries have established a joint committee known as the Afghanistan Pakistan Transit Trade Coordinating Authority (APTTCA), and they are responsible for monitoring APTTA progress and resolving disputes that arise under APTTA. A well-balanced plan is critical in uniting not just the political aspect of APTTA, but essentially harmonizing a civil-military enforcement and security mechanism that will support APTTA. APTTA should be strengthened early on as it can be assumed that insurgents will not be deterred by transit trade agreements. Addressing the need for security in trade can help minimize insurgent exploitation of trade routes before the region can be catapulted into more instability.

References

- Abrar, Mian. "Pakistan, Afghanistan edge closer to smoother trade." *Pakistan Today*. February 12, 2012. <http://www.pakistantoday.com.pk/2012/02/pakistan-afghanistan-edge-closer-to-smoother-trade/>
- Ali, Imtiaz and Craig Whitlock. "Taliban Commander Emerges As Pakistan's 'Biggest Problem'; Radical Accused in Bhutto's Death Has Quickly Gathered Power" *Washington Post Foreign Service*. [Washington, D.C] 10 Jan 2008: A.17.
- "APTTA goods clearance demonstration in Karachi today." *Business Recorder*. September 28, 2011. <http://www.brecorder.com/business-a-economy/single/672/189/1235743/>
- AUTomated SYstem for CUstoms DAta. "Afghanistan." UNCTAD. Accessed February 19. <http://www.asycuda.org/dispcountry.asp?name=Afghanistan>
- Chaudry, Sajid. "Pak-Afghan talks on APTTA" *Daily Times*. July 18, 2010. http://www.dailytimes.com.pk/default.asp?page=2010%5C07%5C18%5Cstory_18-7-2010_pg5_2
- Coll, Steve. "Looking For Mullah Omar." *New Yorker* 87.45 (2012): 44-55. Academic Search Premier. Web. 26 Feb. 2012.
- "Declaring NLC as key agency for transit cargo of coalition forces; FBR to give comments on PCØ proposals." *Business Recorder*. February 13, 2010. <http://www.brecorder.com/taxation/single/666/181/1153186/>
- India Pakistan Trade Unit. "Pakistan-Map." 2008. http://www.iptu.co.uk/content/pakistan_map.asp
- Johnson, Thomas H. and M. Chris Mason. "No Sign until the Burst of Fire: Understanding the Pakistan-Afghanistan Frontier" *International Security* 32:4, Spring 2008.
- Jones, Seth. *In the Graveyard of Empires: America's War in Afghanistan*. W.W. Norton & Company; Reprint edition, April 12, 2010.
- Kurlantzick, Joshua. "Fear Moves East: Terror Targets the Pacific Rim." *The Washington Quarterly*. Winter 2001.
- "LCCI flays APTTA approval" *Recorder Report*. Lahore. October 9, 2010. http://www.pakistantrade.org/PC/dec2011/br_dec2011.pdf
- Lister, Tom. "Police: Pakistani Taliban Leader Captured in Karachi" *CNN*. January 5, 2012. http://articles.cnn.com/2012-01-05/asia/world_asia_pakistan-taliban-arrested_1_pakistani-taliban-baitullah-mehsud-pakistan-taliban?_s=PM:ASIA
- National Trade & Transport Facilitation Committee (NTTFC). "Agreement Between the Governments of the Islamic Republic of Afghanistan and the Islamic Republic of

Pakistan: Afghanistan-Pakistan Transit Trade Agreement 2010 (APTTA)ö
<http://www.nttfc.org/reports/APTTA-Final-Signed%2028102010.pdf>

Sameem, Ismail. öAfghan officials meeting Taliban in Pakistanö Reuters. February 21, 2012.
<http://www.reuters.com/article/2012/02/21/us-afghanistan-taliban-quetta-idUSTRE81K1G020120221>

UNCTAD. öUNCTAD-supported Afghanistan-Pakistan transit trade agreement to take effect on 14February.ö February 2, 2011.
<http://unctad.org/en/Pages/PressReleaseArchive.aspx?ReferenceDocId=14422>

U.S. Department of State, *Afghanistan, Autumn 2006: A Campaign at a Crossroads* (Washington, D.C: Office of the Coordinator for Counterterrorism, U.S. Department of State, 2006), p. 2.

Yusufzai, Rahimullah. öPakistan-Afghanistan Relations: A Pakistani Narrativeö Pakistan Institute of Legislative Development and Transparency. March 2011.

Zyck, Steven A. öTransit Trade in Transition: The APTTA & the Afghan Economy.ö Civil-Military Fusion Centre. November 2011.
https://www.cimicweb.org/cmo/afg/Documents/Economic/Afghanistan_Pakistan_Transit_Trade.pdf