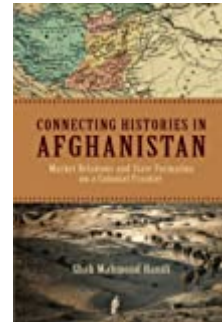


**Shah Mahmoud Hanifi.** *Connecting Histories in Afghanistan: Market Relations and State Formation on a Colonial Frontier.* Stanford: Stanford University Press, 2011. 288 pp. \$24.95 (paper), ISBN 978-0-8047-7411-6.



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## Markets in Afghanistan

*Connecting Histories in Afghanistan* examines Afghanistan's economic relations with British India in the nineteenth century and addresses a seeming paradox: how did a country that was so prosperously tied into south Asia's trading network at the beginning of the century become so disconnected and economically isolated as the century ended? While Shah Mahmoud Hanifi contends that his is a revisionist approach, such is the paucity of detailed studies on Afghanistan's history that there is really very little available research to revise. Instead the value of the book is its probing of previously unexamined assumptions about how Afghanistan's state and economy functioned. In particular, Hanifi demonstrates that too much of existing Afghan history uncritically projects more recent templates onto its past. Thus the picture of an isolated, antiforeign, and economically impoverished Afghanistan does not do justice to its vibrant international trade and multinational merchant community that thrived there before the reign of Amir Abdur Rahman (1880-1901). Hanifi also compellingly argues that the failure to incorporate Afghanistan directly

into British India's colonial dominion disguised the significance of its indirect influence over Afghan rulers who became dependent on foreign subsidies and weapons. Despite his anti-British rhetoric and occasional jihad rattling, Abdur Rahman's success at forcibly building a strong Afghan state depended on staying within their sphere of influence. This required cultivating his alliance with the British even when it demanded such sacrifices as agreeing to the Durand Line, the 1893 frontier demarcation that put the majority of the region's Pashtun population under British sovereignty. While Abdur Rahman developed Afghanistan's army to suppress his internal rivals, his strategy for keeping foreigners out of the country depended on making Afghanistan too poor to attract their attention. An Afghanistan with no transport or communications infrastructure would be hard to invade, but an Afghanistan with no developed resources would not repay the cost of doing so. Cultivating Afghanistan's underdevelopment as a deliberate strategic asset may seem counterproductive, but it is true that thieves and extortionists rarely trouble the poverty-stricken.

The first section of the book focuses both on the run-up to the First Anglo Afghan War (1839-42) and the economic changes the British instituted in Kabul during their ill-fated occupation. In the 1830s, the British began to look at Afghanistan as a potentially profitable trading base linking central Asia with India. Afghanistan already had a strong overland network of production, transport, and finance that supported a surprisingly large fruit trade with India. Central Asian goods, notably horses, also transited through Afghanistan to reach British military buyers in India. That economic rather than geopolitical considerations took priority made good sense at the time. First, British India did not yet border Afghanistan (the Sikh ruler, Ranjit Singh, then controlled the Punjab and the former Afghan winter capital of Peshawar that gave access to the Khyber Pass). Second, concern about whose goods would dominate this trade network was more significant than the hypothetical Russian military threat to India. Third, and most telling, the British initially conceived of Afghanistan's occupation as part of a much more ambitious plan for economic development that would link the overland trade networks coming out of central Asia with a new maritime route utilizing ports to be constructed along the Indus River. This explains both why an invasion force tasked with conquering a landlocked country would be called the "Army of the Indus" and how its expense was to be justified. Only a maritime power, such as Britain, would imagine the Indus could serve as the gateway to the heart of Asia. Few cargo vessels ever plied that route (at least since ancient times) and the region's previous conquerors over the past thousand years, all land based, had looked upon rivers as obstacles to cross rather than highways of commerce. In the end, of course, the military disaster in Afghanistan itself overshadowed the war's origins as a component of this harebrained Indus River port scheme. Far better to reimagine the Afghanistan war as the warm-up round in an exciting Great Game with Russia than a military backed South Seas Bubble. But in its economic consequences, the First Anglo-Afghan War was just about as devastating to the Indian merchant bankers who lost millions of rupees financing it.

Hanifi's exploration of the logistical underpinnings of the First Anglo-Afghan War is particularly interesting. Napoleon may have asserted that an army marched on its stomach, but carrying its gear from India to Afghanistan required camels. The easy availability of such carriage depended on the region's nomads. For centuries, the Pashtun sheep raising pastoralists, *kuchi*, had spent their summers in the pastures of highland Afghanistan and

their winters along the plains of the Indus. They were famous for their large herds of camels, far more than were needed to move their own tents and other personal baggage. While previous scholars, such as Klaus Ferdinand (*Afghan Nomads: Caravans, Conflicts, and Trade in Afghanistan and British India, 1800-1980* [2006]), have documented how the nomads used their excess camels to bring trade goods into Afghanistan, Hanifi examines their importance in taking large-scale fruit exports from Afghanistan to India. Without such cheap and reliable transport, trade on this scale would have been difficult or impossible. Drawing on this established caravan network, the British were easily able to contract for the camels needed to move their large army, and keep it supplied. Nomad traders were experienced in organizing large-scale transport and worked for whoever was willing to pay them. (By contrast, when the Russians moved into central Asia they were continually plagued by difficulties in organizing similar transport camels among the Kazakhs who had no such mercantile tradition.) Although the British brought silver rupees with them, they also depended on the Indian merchant finance credit system to cover much of the war's cost and pay local debts. Afghan familiarity with, and confidence in, commercial bills of exchange drawn on Indian trading houses was a byproduct of longstanding economic relations that touched even remote villages in Afghanistan. Once in Kabul the British attempted to increase the profitability of the fruit trade to cover some of these debts and to give the Afghan government a better revenue base. Hanifi's research provides many new details about this process and its consequences. The war's failure left many of these debts unpaid, however. This unhinged the region's commerce for some time, but did not destroy it.

The second part of the book jumps to the reign of Abdur Rahman in the last two decades of the nineteenth century. Hanifi blames the amir for isolating Afghanistan and undermining its export economy. Previous amirs had attempted to increase the amount of revenue they obtained in transit taxes from international traders but never attempted to control the system itself. Abdur Rahman, by contrast, created trade monopolies and taxed the flow of goods and money that was only transiting through Afghanistan. The former reduced the profitability of the fruit trade to local producers, undermined the viability of nomad trade transport by restricting their routes, and ruined the established traders who previously handled the wholesale buying and selling in India. The latter induced traders to avoid shipping any goods or money through Afghanistan even when the

alternatives were more time consuming and expensive. While this policy increased revenue to the Afghan state, it choked off Afghanistan's longstanding connections to the rest of the world. Hanifi argues that because the amir now relied on British subsidies and his own state owned factories, he was not really concerned with the health of the Afghan economy as a whole. It was fair to say that he preferred being in full control of a poor country than partial control of a richer one. The "Hindki" (a trading community of Indian background long resident in Afghanistan) was the greatest victim of the amir's policy. Of various religions and different geographical origins in south Asia, the Hindki served as a vital link in the trading and finance network that spanned the whole region. Abdur Rahman replaced them with his own personal clients (some Afghan, some Indian), forcing those whose businesses collapsed to leave Afghanistan. However, since the number of Indian traders (often Hindus in Muslim lands) also declined in central Asia by the end of the nineteenth century, it is not clear whether there were some other larger economic and political trends at play. And while the Afghans may have seen the Hindki as a single community, its members were part of a diverse diaspora that could not act in a unified fashion. In any event, it appears they had strong enough links with their communities of origin that they chose to quit rather than fight the policies of an amir keen on making Afghanistan less cosmopolitan and more insular. Whatever the explanation, Hanifi makes a strong case that the lack of economic development in Afghanistan was deliberate and broke the ties that had made it a center of commerce and relative tolerance for many centuries.

The short conclusion of the book is disappointing. Its attacks on American policy in Afghanistan would have been better in a short op-ed piece, in part because they have so little connection with the rest of the book. More significant, Hanifi misses a potential opportunity to draw some interesting conclusions related to the historical periods he does examine. There is striking resemblance between the pattern of the Americans contracting with the trans-border Pashtun trucking companies and the British dependency on Pashtun nomad caravaneers (indeed many of the former may be descendants of the latter). Similarly the disruptive impact of flows of cash into Afghanistan during the First Anglo-Afghan War has immediate relevance for understanding the ills of the Afghan economy today. Turning to the policies instituted by Abdur Rahman, this would have been the place to examine, pace Hanifi's praise of Fernand Braudel's *longue durée* approach to historical analysis, whether the damage Abdur Rahman did was transitory or permanent. Does the possibility of reconnecting Afghanistan to its old trading networks lay the foundation for a more prosperous society and one that is more open to the outside world as it was earlier in its history? Perhaps most significant, if underdevelopment was a conscious government policy to ward off outsiders (and one largely continued by Abdur Rahman's successors), can Afghanistan shift its attitude and reenter the world economy as a new player? Hanifi does a service in questioning assumptions about Afghanistan's past, but there is an equally critical need to question assumptions about its present and future as well.

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