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Pakistan: Coping With Afghan Refugees



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An Intelligence Assessment

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*NESA 87-10032
July 1987*

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Pakistan: Coping With Afghan Refugees [Redacted]

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An Intelligence Assessment

This paper was prepared by [Redacted]
Office of Near Eastern and South Asian Analysis,
[Redacted] It
was coordinated with the Directorate of Operations.
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Comments and queries are welcome and may be
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**Pakistan: Coping With
Afghan Refugees** [Redacted]

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Key Judgments

*Information available
as of 1 June 1987
was used in this report.*

Growing concerns about political and economic problems created by the presence of roughly 3 million Afghan refugees are a major factor behind Islamabad's receptivity to a political settlement in Afghanistan. Pakistani leaders are concerned about signs of growing friction between the refugees and Pakistanis and law-and-order problems involving Afghans. They also worry that international financial support—primarily from multilateral donors—will soon dry up. Islamabad still believes a short timetable for the withdrawal of Soviet troops and a major role for resistance leaders in the new government in Kabul are the best way to achieve a return of the refugees to their homeland. Islamabad probably is capable of managing the refugees as long as negotiations on an Afghan settlement continue. [Redacted]

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Islamabad will look to the United States to maintain its financial support for refugee programs and to urge other donors to continue or even increase their aid. Although Islamabad exaggerates the financial cost of refugee assistance, Pakistan would face serious problems in meeting refugee needs if foreign assistance began to decline. [Redacted]

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The benefits to the economies of the North-West Frontier Province, the Federally Administered Tribal Areas, and Baluchistan in the past few years probably have matched, and perhaps exceeded, the cost of caring for the refugees. Many Pakistanis—particularly landowners, wealthy businessmen, and those with political clout—have gained from cheap labor, the ability to charge skyrocketing rents for housing, and opportunities for corruption made possible by the inflow of funds and people providing assistance to the refugees. [Redacted]

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Refugees in Pakistan, despite producing some short-term economic benefits, have created several long-term problems for Islamabad. The environment has been badly damaged, as refugees burden the water supply and strip forests for firewood. Low-skilled Pakistanis have seen their wages fall. Tensions between the refugees and local residents began to rise last year. The increasing numbers of aerial bombings and sabotage attacks have been blamed on the presence of the refugees. Rioting in Karachi in late December 1986 that only tangentially involved Afghans reinforced the perception among Pakistanis that refugees are responsible for a growing law-and-order problem. [Redacted]

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An economic downturn would, at a minimum, reduce the Pakistanis' tolerance of the refugees and would probably increase pressure on the government to seek a solution that would relieve Pakistan of caring for the refugees. A significant decline in donor support—particularly from the United States—that forced Pakistan to shoulder more of the financial burden would almost certainly cause Islamabad to intensify its search for a political settlement and to be less sensitive to US concerns. 

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In the event of a settlement on Afghanistan that has US support, Islamabad would expect Washington to provide generous assistance and urge the international donor community to aid in transporting the Afghans back across the border. If the presence of the refugees creates much more serious domestic political problems than is currently the case, or if US aid to Pakistan is significantly reduced, Pakistani officials may be more receptive to a settlement with the Soviet Union on Afghanistan that would be far less favorable to Washington. 

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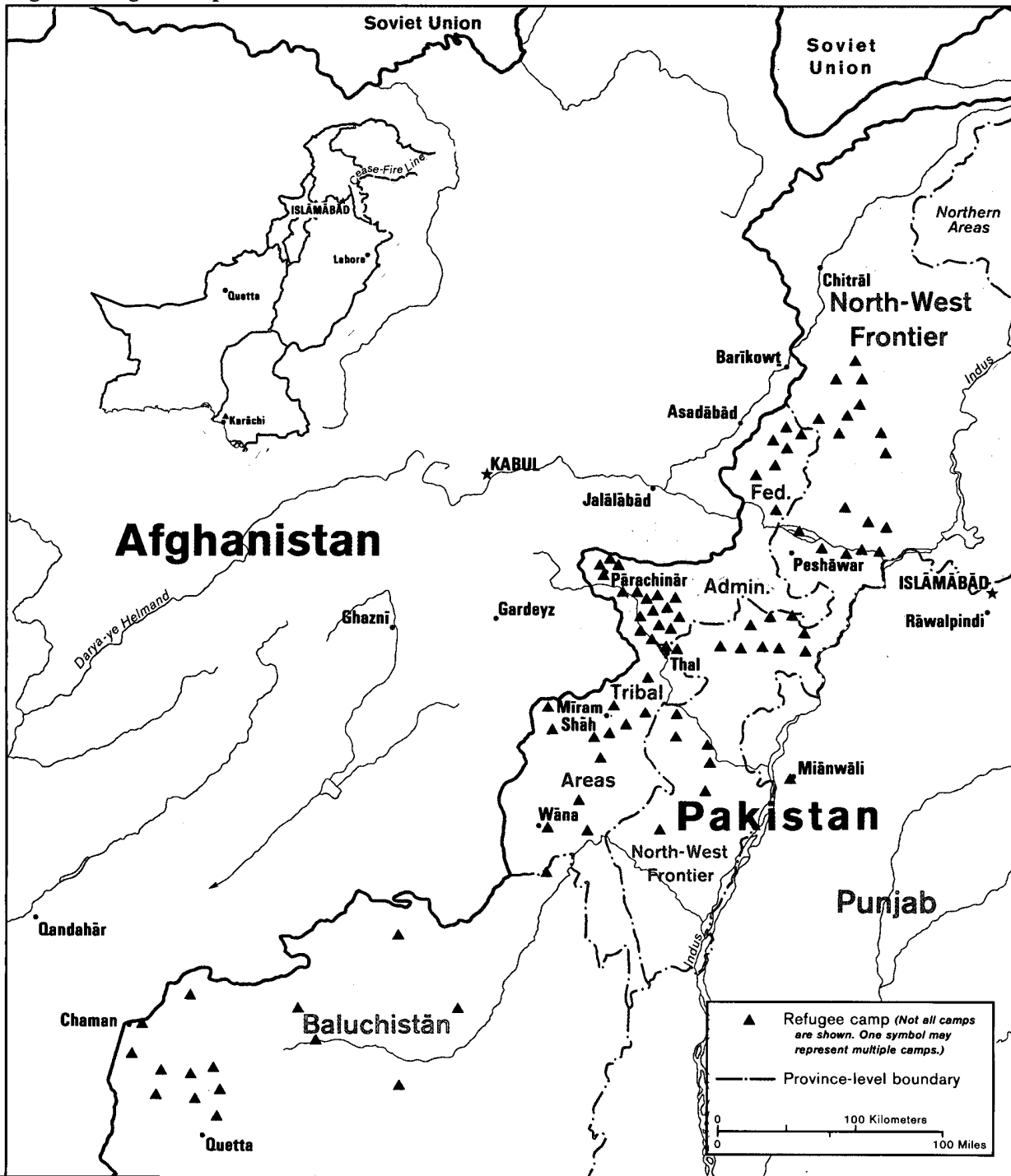
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Figure 1
Afghan Refugee Camps in Pakistan



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Pakistan: Coping With Afghan Refugees



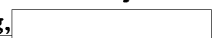
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Afghan refugees—at roughly 3 million, the largest refugee population in the world—have been fleeing to Pakistan since the Marxist coup in 1978 and the Soviet invasion in late 1979. By 1981 nearly 2 million Afghan refugees were reported by government officials to be in Pakistan.



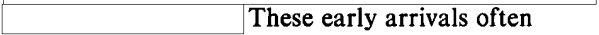
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Refugees arriving in Pakistan from the onset of the war through the fall of 1983 left Afghanistan more because the quality of their political, social, and economic life had collapsed than because they were directly threatened by the fighting.



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These early arrivals often brought a means of support—such as animals or vehicles—with them.

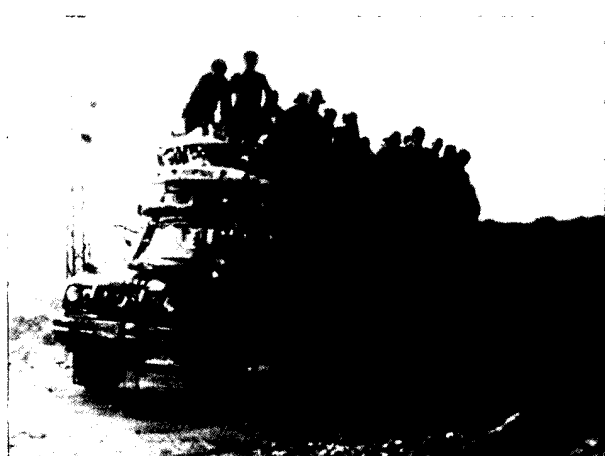


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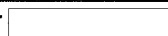
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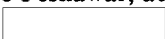
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Afghan refugees en route to Peshawar



Refugees who have arrived since late 1983 have suffered a great deal more than earlier migrants. Because they come from areas of heavy fighting, they are often wounded. Because of food shortages in parts of Afghanistan, many—especially children—suffer from malnutrition and are in generally poorer health than earlier arrivals. Beginning in September 1986, severe food shortages in parts of northern Afghanistan prompted a new flow of refugees into Peshawar, according to the US Embassy in Kabul.



Refugee Demographics

Estimates of the number of Afghan refugees in Pakistan vary considerably, partly because a large number frequently go back and forth across the border.

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Afghan refugees when registering often inflate the size of their families to get more rations, and the segregation rules of traditional Pushtun society make it impossible to see, let alone count and register, women and girls. According to

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estimates, 2.84 million refugees were registered with the Government of Pakistan, and an estimated 300,000 to 400,000 were unregistered as of May 1986. According to US Embassy reporting, roughly 3 million Afghans may be in Pakistan, but US officials insist the number who are registered and require aid is far less than official Pakistani estimates. In 1986 the UN High Commissioner for Refugees (UNHCR) used a figure of 2.3 million refugees in camps to budget its programs. The World Food

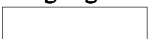
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The newer arrivals probably add to refugee tensions because they do not share many of the ethnic ties to Pakistanis that previous arrivals had.



increasing numbers of new arrivals are non-Pushtuns from Afghanistan's northern provinces who are escaping from the increased fighting in the area. Overall, 95 percent of the refugees are Pushtuns and share a common culture and language with the 2.2 million Pushtuns in Pakistan.



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Registering as a Refugee



Afghan refugees signing for ration cards at a refugee camp

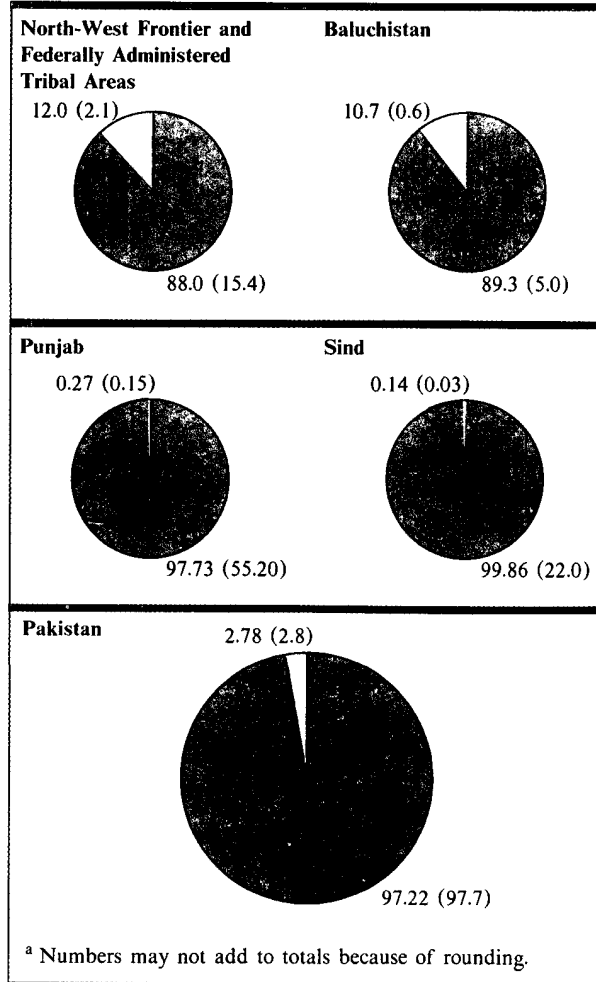
Afghan refugees must go through a lengthy and cumbersome registration procedure before being entitled to rations and space in a camp. Authorities are far behind in registering new refugees, causing hardships for newcomers, according to press reporting. Camps in the more desirable areas—near Peshawar and the border—are full and have long waiting lists. Some refugees must wait for as long as three months before receiving rations.

a refugee must first get a letter from one of the seven Afghan resistance parties, register at one of the official refugee camps, and then apply for a card from the local Pakistani refugee office. On occasion, during unusually heavy inflows, rations are distributed to newly arrived refugees before they are registered, according to the US Consulate in Peshawar.

The majority of Afghan refugees—more than 85 percent—are registered with the UNHCR and live in approximately 320 refugee camps where they can obtain assistance and services. About three-quarters of the camps are concentrated in the North-West Frontier Province and the Federally Administered Tribal Areas with another 20 percent in Baluchistan. Nearly a dozen camps, containing roughly 150,000 refugees, are in Punjab Province, according to the US Consulate in Lahore. A new camp established in January 1987 in Karachi—the only one in Sind Province—had an initial population of about 15,000 refugees and is slated to support a maximum of 25,000 by 1988.

Pakistan: Provincial Share of Afghan Refugees, 1986
Percent (million persons)^a

█ Pakistanis
█ Afghan refugees



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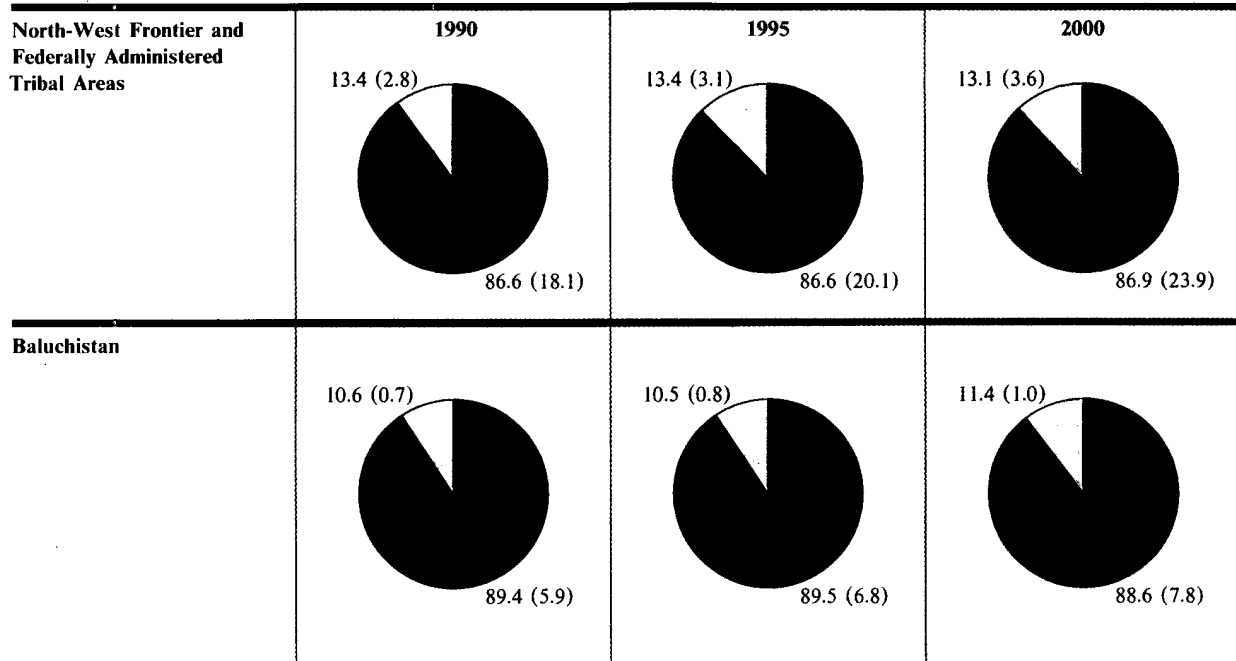
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Figure 2
Pakistan: Projection of Refugee Population in Border Provinces,
1990-2000

Percent (million persons)

■ Pakistanis
 □ Afghan refugees



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Program (WFP) no longer uses its estimate of 2.2 million refugees in need of aid but targets a specific food level—350,000 metric tons (mt) annually plus a buffer stock of 50,000 mt of grain—as the minimum requirement for the refugees. [redacted]

1986 monthly levels were up to 9,000. We believe net additions to the refugee population are substantially below recent estimates, however, because many of the arrivals are Afghans who seasonally move back and forth across the border. [redacted]

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The number of refugees entering Pakistan each month also varies, depending primarily on the intensity of fighting in nearby areas of Afghanistan. In 1980 and 1981—the first two years of the war—nearly 2 million Afghans fled to Pakistan. Since then, the refugee flow has been steady, but nowhere near the pace of 1980-81. Estimates in 1985 and 1986 ranged from 6,000 to 9,000 per month, according to US Embassy and press reporting. In March 1987 a government spokesman reported that since September

Most refugees remain in the border area, despite long waiting lists for registration. Because many frequently cross back and forth from Pakistan to Afghanistan, they are reluctant to lengthen their journey by registering in camps far from the border. Pakistanis in areas farther from the border are ethnically and linguistically dissimilar to Afghans and in many cases are traditional and bitter rivals. [redacted]

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Pushtunwali: Cross-Border Commitment

Members of the Pushtun tribe share language, territory (Pushtunkhwa), religion (Sunni Muslim), and a cultural code (Pushtunwali).^a A common language is used by members throughout Pushtun territory, but differences in dialect hinder comprehension between speakers from northern regions, who use the hard "kh" and call themselves Pakhtuns, and speakers from the southern regions, who use the soft "sh" and call themselves Pushtuns. Pushtunkhwa is not well defined. It is understood to mean the areas of Afghanistan and Pakistan inhabited by Pushtuns. Political leaders in Pakistan's North-West Frontier Province and Federally Administered Tribal Areas—where most of the country's Pushtuns reside—have called for the creation of a separate Pushtun state, Pushtunistan, to unite Pushtuns and consolidate their political base.

All Pushtuns are Muslims, but their customs deviate in some ways from mainstream Islam. For example, the Pushtuns make and take interest-bearing loans, and, in most cases, their women do not inherit property or have the right to divorce their husbands. Although most Pushtuns are Sunni Muslims, there are exceptions, notably Shia groups in the Kurram and Orakzai tribal agencies.

Pakistani and Afghan Pushtuns share a set of values known as Pushtunwali, the Pushtun code of honor, which is widely cited as the reason that Afghan refugees have been well received in Pakistan. In an ideal situation, Pushtuns would strictly adhere to the requirements of Pushtunwali: badal (revenge), melmastia (hospitality), nanawatee (asylum), tarboorwali (first-cousin rivalry), and tor (female honor). According to melmastia, a Pushtun is required to grant asylum and to fight to the death for another Pushtun who asks for refuge. A narrow interpretation of nanawatee would require one to strictly protect guests on the run from the law.

^a The terms Pushtun, Pashtun, Pakhtun, and Pathan are synonymous; the variant spelling of Pashto is sometimes used to identify the Pushtu language.

[redacted] non-Pushtun refugees avoid Pushtun-dominated camps and choose to live in Peshawar in the North-West Frontier Province (NWFP) and Quetta in Baluchistan. Pushtuns avoid camps farther from the border that are surrounded by non-Pushtun Pakistanis. Some refugees may travel to camps distant from the border to register and receive their ration cards but continue to live or keep their families in unofficial camps near the border.

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The number of refugees in camps is likely to continue to grow steadily as more refugees—possibly 300,000 to 400,000, [redacted] complete the lengthy process of registration. Beyond the net influx of refugees, Afghans in Pakistan have maintained a 3-percent population growth rate as births have outpaced deaths, according to a US Census Bureau study, adding another 90,000 children per year to the population.

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Pakistan's Refugee Policy: Tolerance

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There are factors other than tribal affinities with Pushtuns on the Pakistani side of the border that have caused Islamabad to seek to treat Afghan refugees fairly. International support for the refugees in Pakistan has been generous, and Islamabad probably realizes some economic gains from receiving the refugees. Moreover, by conducting a well-organized effort to house and feed the refugees in camps, Pakistan projects its belief that the refugees—and hence the war in Afghanistan—are not a permanent fixture in Pakistan. Unlike many other countries with large refugee populations, Pakistan has experienced little conflict between refugees and locals by allowing the refugees in Pakistan relatively free movement within the country.

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Afghans are permitted to work and have used several other avenues to profit from their relative freedom. Afghans have taken jobs as seasonal laborers, small entrepreneurs, and transporters. Although purchase of real estate is banned, there have been instances where

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Afghan refugee camp [redacted]

wealthier Afghans have bought land for both residential and commercial purposes. [redacted]

A substantial number of refugees have migrated to the cities, particularly to Peshawar and Quetta, and can blend with the local population without arousing major objections to their presence. Roughly 400,000 refugees live in the Peshawar area, while 200,000 to 250,000 refugees reside in the Quetta area, according to the US Embassy [redacted] Refugees account for about 37 percent of the population in both areas. [redacted]

Many of the better educated and more skilled Afghans did not find opportunities to use their talents in Pakistan and moved to Western Europe or the United States. According to the US Consulate in Peshawar, many Afghan professionals could not find employment in Pakistan to match their education and experience and have taken positions with private volunteer organizations. [redacted]

Pakistan had little choice but to accommodate the independent and traditionally armed Pushtun tribesmen. By extending its presence into tribal areas through supervision of relief programs, the Pakistani Government can introduce more control in the border region. [redacted]

To ease public concerns about security, Pakistani authorities periodically make highly publicized—but ineffective—efforts to restrict the activities of the

refugees. In late 1984, for example, the provincial government of Baluchistan decided to transfer 15,000 refugees from Quetta to camps in western Baluchistan, although officials acknowledged that past efforts to relocate the refugees were unsuccessful. [redacted]

[redacted] this effort at relocation also failed—only 2,500 were actually relocated. Recently, officials have considered moving refugees away from border and urban areas, where refugees as well as UNHCR staff would be safer from Afghan air incursions and Afghan-directed sabotage, according to US Embassy reporting. [redacted]

Provincial authorities in Peshawar have also taken steps to reassure the public that they are trying to keep the refugees under control. As part of an attempt to force them to return to refugee camps, for example, the authorities have passed ordinances that prohibit young Afghan males from spending after-work hours in Peshawar. Those caught in the efforts to enforce the ban are turned over to the refugee commissioner's office, questioned, and then sent to a refugee camp. During a recent roundup, police detained more than 5,000 Afghans, according to reporting from the Consulate in Peshawar. [redacted]

Pakistani refugee officials also seek to move refugees in order to relieve congested areas. As many as 150,000 more refugees—doubling the 150,000 currently residing in Punjab Province—will be moved to relieve overcrowded camps in the North-West Frontier Province and the Federally Administered Tribal Areas, [redacted]

[redacted] The refugees now living in Punjab Province have not caused problems to date because they have been placed in largely Pushtun districts, far from major Punjabi ethnic areas. [redacted]

Assistance for the Refugees

Relief aid for the refugees comes from international and Pakistani sources. [redacted] it costs more than \$1 million a day (about \$400 million annually) to support the refugees, of which roughly \$200 million comes from international donors; additional small sums are donated on a

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Secret**Major Providers of Relief Assistance to Afghan Refugees**

Provider	Value of Assistance	Major Activities	Major Issues
UN High Commissioner for Refugees (UNHCR)	\$60-70 million annually	Major coordinating body for relief efforts. Provides nonfood assistance: health services, fuel, clothing, water supply, and oversees income-generating projects.	Increasing emphasis on income-generating projects. Pakistan is reluctant to permit such projects because of concern it may give impression that the refugees will stay for an extended period. UNHCR claims that more funds are available for development programs than for emergency assistance.
World Food Program (WFP)	\$100 million annually	Provides basic food commodities for 2.2 million refugees per year. Monitors food donations from bilateral donors.	WFP's estimate of food requirements is consistently lower than Pakistani estimates. Islamabad requests 500,000 mt, based on its estimate of 3 million refugees versus WFP's 2.2 million.
World Bank	\$10 million annually 1987 to 1990.	In conjunction with the UNHCR, the World Bank administers income-generating projects for refugees in Pakistan.	To address sensitivities of the local population, the World Bank permitted up to 30-percent participation by locals in income-generating projects. In 1987 local participation is scheduled to be increased to 50 percent.
Government of Pakistan	\$190 million annually. According to the US Embassy, however, the actual amount is about \$90 million.	Responsible for shipment of all in-country relief supplies, primarily from Karachi to refugee areas in the North-West Frontier Province, the Federally Administered Tribal Areas, and Baluchistan. Also supplies health services, some administrative personnel, and a cash stipend program.	Pakistan probably views the flow of aid as an endorsement of its Afghan policy—would probably view any significant reduction in relief as a lessening of support for its policy in Afghanistan.

bilateral basis. According to the US Embassy, Islamabad asked the Pakistan Consortium countries—a group of Western aid donors—to provide \$193 million for refugee assistance to the Government of Pakistan in fiscal year 1987. Islamabad claims that it spends roughly \$110 million for cash stipends to refugee families, \$70 million to cover local transportation costs of refugee material aid, and the remainder to cover administrative costs. The US Embassy, however, reports that disbursements for cash stipends are only \$11 million—largely because of infrequent payments—and transportation costs are exaggerated.

Afghan refugee aid is typically channeled through official organizations, such as the WFP, UNHCR, World Bank, International Committee of the Red

Cross (ICRC), UNICEF, and Red Crescent Societies (Islamic countries' donor organizations). The primary aid organizations—UNHCR and WFP—administer a wide variety of programs, including income-generating projects, education, food aid coordination, and health services. The ICRC and Red Crescent Societies generally provide medical assistance—hospitals, clinics, and dental programs—for both insurgents and refugees in Pakistan.

Industrialized countries provide most of the relief aid given to the Afghan refugees. Typically, West European countries each donate about \$5 million annually, and the European Community contributes about \$18 million yearly—usually donated through multilateral

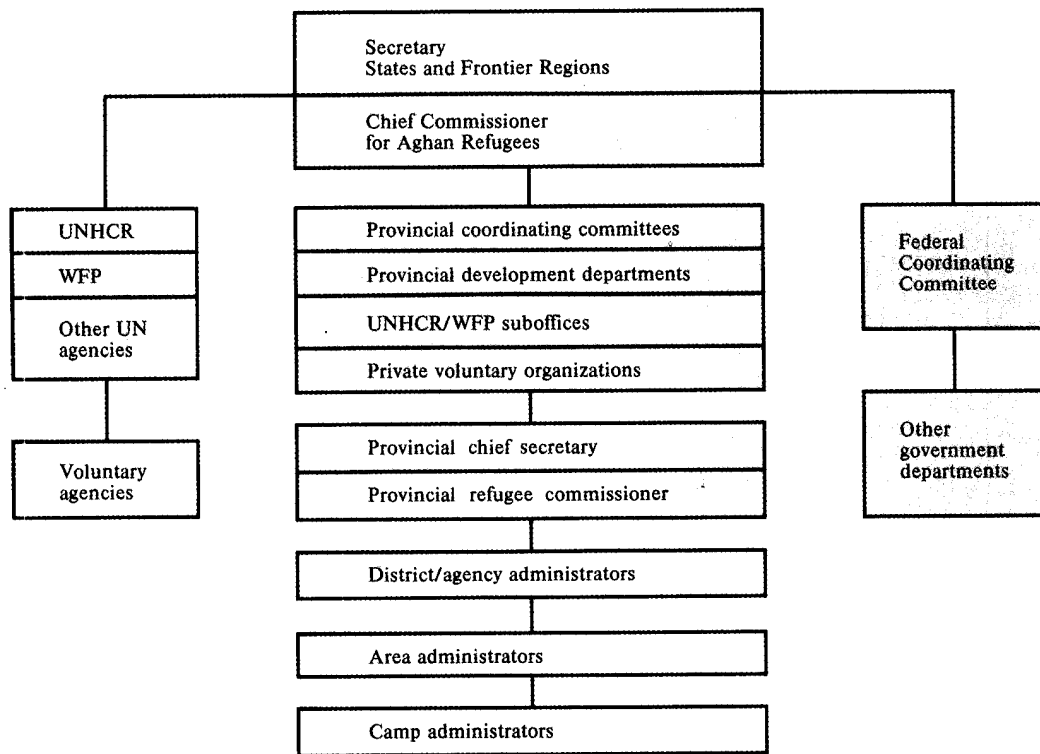
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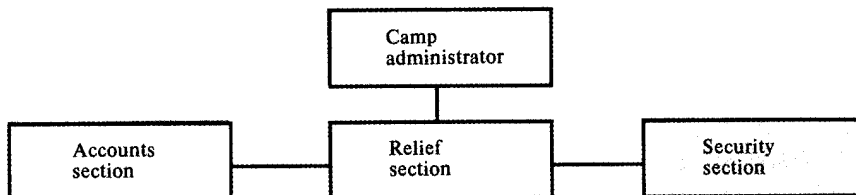
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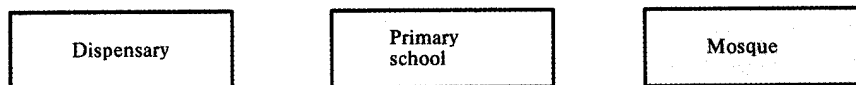
Figure 3
Organization for Refugee Management
in Pakistan



Organization of a Refugee Camp



Attached Personnel From Other Departments

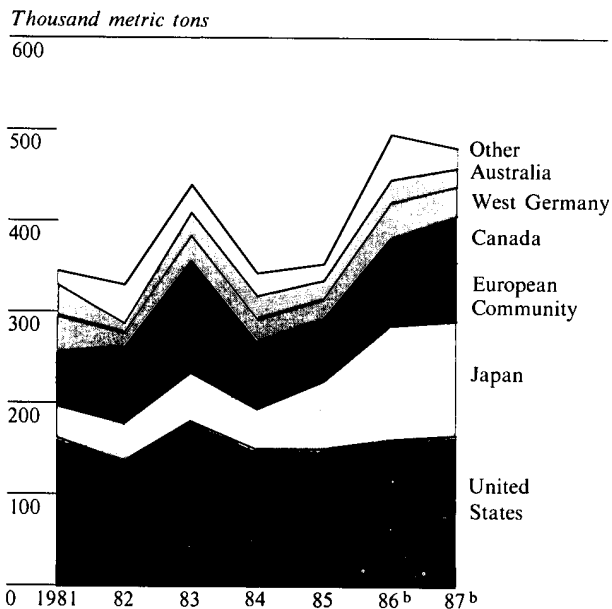


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Figure 4
Pakistan: Donations of Wheat for Refugees, 1981-87^a



^a Most donations are channeled through World Food Program.

^b Pledges.

state that at least 500,000 mt of wheat is necessary to fulfill the needs of the refugees, according to the US Embassy. [redacted]

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Islamabad's concern about a drop in foreign assistance to the refugees, the UNHCR's belief that donors will contribute more to development aid, and a desire to reduce its own expenditures are leading Pakistan to give more favorable consideration to income-generating projects for the refugees, according to US Embassy reports. Islamabad is worried, however, that such projects will provoke resentment from many Pakistanis who are no better off than the Afghans receiving the aid. Furthermore, a number of Pakistanis are likely to believe that the projects are creating jobs—such as carpentering and shawlmaking—for Afghans that could have been filled by Pakistanis and that the projects are flooding markets with goods that should have been produced by Pakistanis. [redacted]

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Impact of the Refugees: Mixed Blessings

Although some Pakistani newspapers and leftist journals have consistently complained about the burden of the refugee presence, relations between the Afghans and the borderland Pakistanis over the past eight years have been surprisingly harmonious. The benefits to the economies of the North-West Frontier Province, the Federally Administered Tribal Areas, and Baluchistan from the foreign aid programs, close ethnic and language ties, and a deeply felt tradition of hospitality among Pushtun peoples have, until recently, outweighed concerns about Afghan lawlessness, competition for jobs, and damage to the environment. [redacted]

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agencies. Japan is a much larger contributor. Its food donations—about \$15 million—are roughly twice as large as those of the biggest European food donor, West Germany. [redacted]

International aid flows have been inconsistent. In certain years other worldwide relief efforts have caused donors to shift their food aid away from Afghan refugees. During 1983-85, when world attention was focused on aid to Africa, food aid for Pakistan fell, and not until 1986 did donors contribute what Islamabad believes is an adequate level of food aid. WFP contributions reached a record 494,000 mt of wheat last year, largely because of the low world price of US wheat. Islamabad, however, continues to

Economic Boom

An economic boom generated by the inflow of aid funds has created new jobs for Pakistanis. Some 6,000 Pakistanis work in the NWFP and the Federally Administered Tribal Areas to assist in the administration of refugee camps, according to the US Consulate in Peshawar. Several hundred more jobs have been

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Grain distribution [redacted]



Sewing class—part of income-generating project for refugees [redacted]

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created by private voluntary organizations, often at salaries higher than those paid by Pakistani employers. Most of the jobs created require minimal skills—guards, drivers, and clerks—and attract many Pakistani applicants. Several hundred professional positions have been created that not only provide employment for doctors, pharmacists, engineers, and teachers, but also offer additional training. In the long term, we believe the provincial skill pool will be improved by the training supervised by private organizations. [redacted]

Labor Market

The refugees' willingness to work for low wages at unskilled or seasonal jobs has benefited Pakistani employers. Refugees, who make up 9 to 10 percent of the labor force in the NWFP, the Federally Administered Tribal Areas, and Baluchistan, routinely accept 15 to 25 rupees—90 cents to \$1.50—per day for unskilled work, while Pakistani laborers seek as much as 30 rupees—\$1.80—per day, according to a UNHCR report. Afghan masons, carpenters, and day laborers substantially undercut established wage scales, sometimes by 20 to 40 percent [redacted]

[redacted] For the most part, according to the US Consulate in Peshawar, Afghan refugees work only a few days a month at low-paying jobs that provide cash to supplement their rations with meat and fresh fruits and vegetables and to purchase clothing on occasion. The UNHCR believes, on the basis of limited surveys, that 87 percent of refugee

families in the North-West Frontier Province and Federally Administered Tribal Areas receive some income from the earnings of a family member. [redacted]

Transportation

Although local residents resent what they see as Afghan domination of transportation services in the border region, the presence of the refugees has probably stimulated sufficient demand for transportation services to absorb the added capacity, according to reporting from the US Consulate in Peshawar. There would be a serious shortage of passenger transport in the Peshawar area in the absence of buses brought from Afghanistan by refugees, [redacted]

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Registration of new commercial vehicles by Pakistanis continues at traditional levels, and Afghan truck drivers now must pay the same registration fee as local drivers. [redacted]

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Rents

Pakistani landlords, particularly in Peshawar, have reaped windfall profits from soaring rents caused by the influx of refugees, wealthy Afghan businessmen, and officials of relief agencies at the expense of middle-class Pakistanis, who cannot find reasonably priced housing. On the basis of conversations with tenants and landlords, officials of the US Consulate in

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Peshawar report that residential rents have risen by as much as 500 percent since 1979. New construction abounds, with lots once considered suitable for a single residence now subdivided for three or four houses.

Pakistani landowners have profited from the establishment of refugee camps on their land. They allow the camps to be constructed on plots that would otherwise be economically unproductive and bill Islamabad for the rental of their property.

Food Prices

Although some Pakistanis believe that refugees are responsible for higher food prices because the Afghans can and will pay more for food, the US Consulate in Peshawar points out that the supply of meat and other commodities has increased, helping to hold food prices steady. Roughly two-thirds of the refugees in Pakistan were farmers before leaving Afghanistan, according to a UNHCR survey. Many refugees receive income from the sale of milk from the herds they brought from Afghanistan, and others have reported to the UNHCR that they sell their cattle to survive. Although Afghans are prohibited from owning land, some can obtain Pakistani identity cards

Others have developed informal sharecropping arrangements with local farmers, according to sources of the US Consulate in Peshawar.

Refugees may also be selling their food rations, depressing the cost of wheat and edible oil to local Pakistanis, according to the US Embassy. Some Afghans gather extra rations by registering at different camps and obtaining more ration cards

By overstating the size of his family, the father can procure additional rations of food and sell the surplus to buy other items.

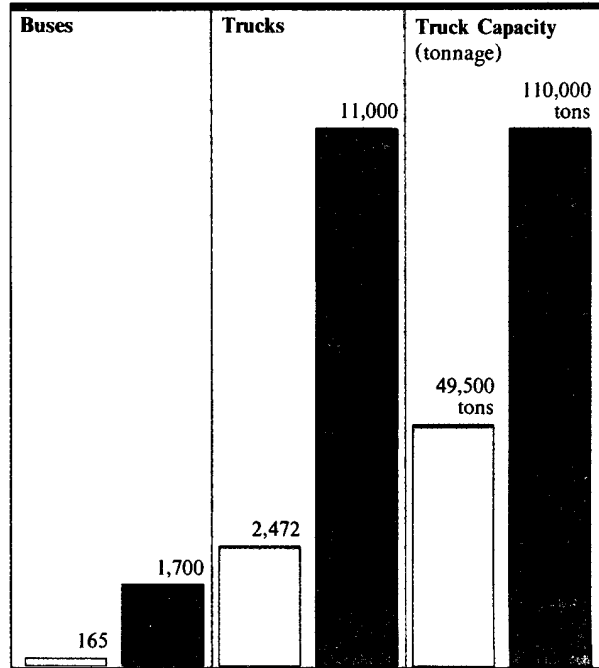
Business Competition

Pakistanis who own small and medium-size businesses feel threatened by Afghan competitors who undersell small-scale vendors and peddle their goods in what were once Pakistani markets. The US Consulate in Peshawar reports that a string of shops owned by

Figure 5
Refugees and the Transport Business
in the Peshawar District, 1986

Note scale change

■ Pakistanis
□ Afghan refugees



Note: Afghan trucks typically have twice the capacity of Pakistani trucks.

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Afghans usually springs up where refugees congregate. Information from US Consulate sources suggests that Afghans are also active in the black market, moving in on a lucrative Pakistani activity. As a result, bazaars in the NWFP and the Federally Administered Tribal Areas contain a wide variety of Soviet goods—from caviar to cheap printed cotton—and a variety of Afghan fruits. Established Peshawar

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merchants, however, do not feel particularly threatened by refugee competition because few large Pakistani businesses look to the refugees as a potential new market. [redacted]

Corruption

The boomtown look of many frontier cities is caused mostly by profits obtained through traditional smuggling and by corruption in the distribution of refugee relief. Legitimate commercial activity generated by the refugees, both as consumers and merchants, represents only a small part of the frontier economy, according to the Consulate in Peshawar. [redacted]

Press reports claim that Pakistani administrators in refugee camps regularly charge up to \$100 for new ration cards, which are supposed to be given to the refugees at no cost. Other press accusations include charges that Pakistani middlemen control nearly all aid-related distribution and use their influence for personal gain. [redacted]

Crime

The US Embassy in Islamabad reports that crime has not increased significantly in the North-West Frontier Province since the large influx of refugees began seven years ago. The refugees, nonetheless, are blamed for a wide variety of illegal activities, including the smuggling of drugs, weapons, and other illicit items into Pakistan; highway robberies; and a general upsurge in violence. A recent editorial discussing the increase in drug usage in Pakistan attributed the upsurge primarily to the "changing situation around our borders" and noted that the "active movement of refugees have [sic] encouraged the drug trade here." Leaders of the opposition Pakistan People's Party publicly claim that the smuggling of arms and drugs by Afghans into Pakistan is increasing the sense of fear among the local population. [redacted]

Environmental Impact

The refugees' impact on the ecology has been clearly negative. The environmental damage in the border region is acute. According to US officials, Afghan herds are overgrazing the land and causing serious erosion. Refugees are denuding forests for firewood,



A shoe market for Afghan refugees [redacted]

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and water is becoming contaminated from too many people using the limited supply in the area. [redacted]

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Growing Tension

Despite the lack of major economic disruption and the benefits that have accrued to some Pakistanis, we believe that the Afghan refugees are beginning to wear out their welcome. In early 1987 tensions between refugees and locals crossed a new threshold in Peshawar. Locals, in an apparently spontaneous demonstration, attacked refugees after the bombing of a resistance group's headquarters that killed at least 12 Pakistanis, including five children in a nearby school. In the aftermath of the bombing, civil unrest continued for three days in Peshawar including armed clashes between refugees and locals, resulting in at least one death. Government and refugee vehicles were burned. Students in Peshawar and neighboring towns, supported by bazaar merchants' organizations, held protest demonstrations that led to the closing of their schools. Calm returned following government measures that enforced the ban on the bearing of arms by both locals and refugees in the city and ordered the confinement of refugees to their camps. [redacted]

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This incident follows a tangible shift in attitudes in Peshawar since the beginning of 1986. According to

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reporting from the US Consulate in Peshawar, some local people now see the refugees as a threat to their personal safety because Afghans are perceived to be potential terrorists. The average Pakistani's impression of the refugees is formed by those most visible—the young, well-fed, and often armed males common on the streets of Peshawar and other cities. The old men, women, and children who make up the majority of the refugee population are seldom seen outside the camps. [redacted] some antirefugee groups have emerged in Peshawar to paint slogans on walls and issue press releases calling for better security. [redacted] non-Pushtun urban groups—such as bazaar merchants, who have provided political support for President Zia—are openly expressing concern about the refugees. [redacted]

Rioting in Karachi in late December 1986 sparked by a government effort to restrict the traffic in drugs and arms reinforced a perception in Punjab and Sind that the refugees are responsible for growing law-and-order problems. [redacted]

Although the riots involved only Pakistani Pushtuns from the North-West Frontier Province and Muhajirs—Pakistanis who migrated from India after 1947—many people nonetheless concluded that Afghan refugees were deeply involved, according to the US Consulate in Lahore. [redacted]

Government authorities in Baluchistan appear to focus on the Afghans as scapegoats for law-and-order problems. [redacted]

The security situation in Baluchistan is aggravated by the increasing availability and falling price of modern small arms, primarily AK-47s. Regulations that prohibit local police forces from entering refugee camps in pursuit of suspected criminals increase the tendency to blame unresolved crimes on Afghan refugees. [redacted]

Kabul Turns the Screws

[redacted]

[redacted] Pressure from Afghanistan has included cross-border air violations, terrorist bombings—particularly in the North-West Frontier Province and the Federally Administered Tribal Areas—and attempts at fueling tribal rivalries. [redacted]

[redacted] sabotage incidents increased sharply last year. [redacted]

[redacted] the number of bombings and resulting casualties in the North-West Frontier Province more than doubled in 1986. The attacks, which appeared to have been aimed at Afghan refugees in the past, are now aimed at causing mass casualties among Pakistanis, according to the US Embassy in Islamabad. [redacted]

[redacted]

This year incidents of sabotage and aircraft bombings have accelerated dramatically, focusing both on Pakistani civilian targets and Afghan refugee camps. In February the NWFP suffered the highest monthly casualty rate since the beginning of the Afghan war from sabotage and air bombardments. Afghan bombing raids on refugee camps on 26 and 27 February killed as many as 100 Afghans and Pakistanis, according to the US Consulate in Peshawar. On 23 March another bombing run on two Pakistani border villages—with significant concentrations of refugees—resulted in more than 100 deaths. [redacted]

[redacted] the deaths from these two incidents alone are more than twice the number caused by air raids in all of 1986. [redacted]

[redacted]

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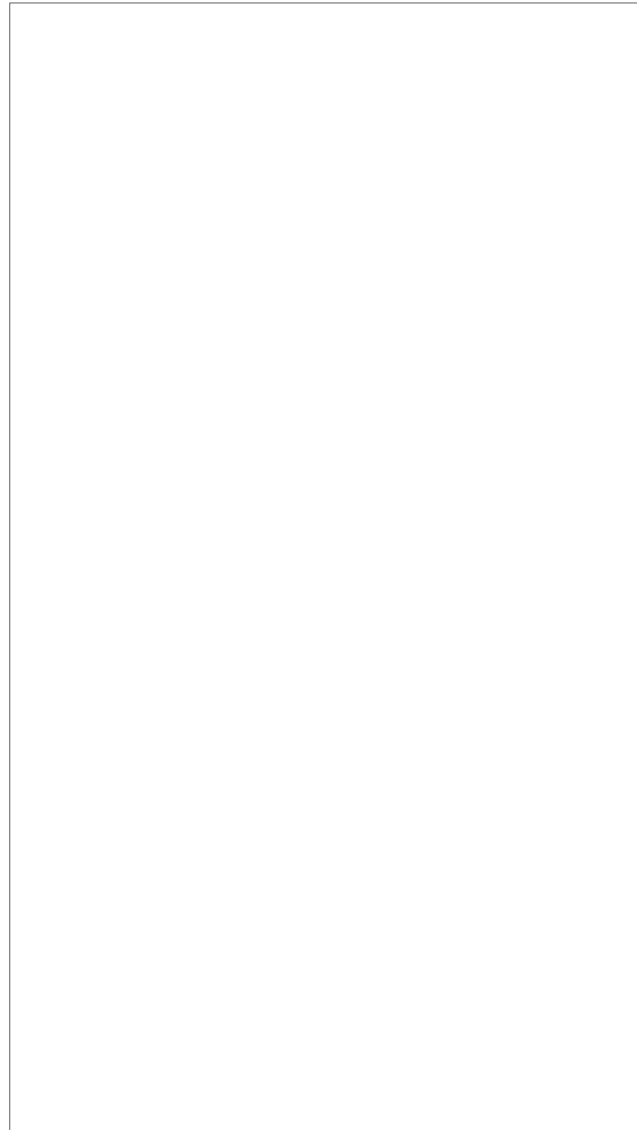
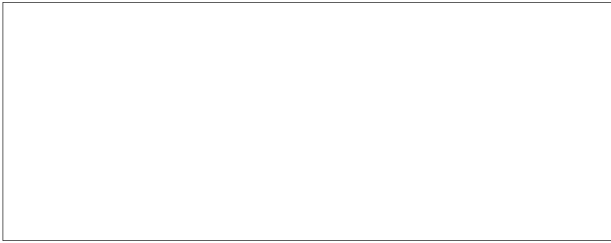
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Refugees and the Afghan Settlement

We believe that tensions between the Afghan refugees and Pakistanis are manageable as long as it is perceived that the refugee presence is temporary and prospects for the majority of refugees returning are positive. Continuing negotiations on an Afghan settlement and preliminary discussions in Islamabad for the transport of refugees back to Afghanistan reinforce the expectation in Pakistan that the refugees will someday return. Pakistani Government leaders as well as opposition leaders recognize that a settlement acceptable to the resistance is required or the refugees will not return.

The Kabul regime would have to extend its destabilization campaign into the major cities of Punjab and Sind Provinces or substantially increase the destruction caused by cross-border air violations to bring effective pressure to bear on Islamabad. We believe an expansion of the Soviet-Afghan destabilization campaign would increase refugee-local tensions and raise public frustration with the presence of Afghan refugees. Until recently, unrest associated with the refugees has not occurred in the politically dominant Punjab Province, reinforcing a perception in the minds of key policymakers that the refugees were not a pressing problem.

Demands to restrict the movement of refugees are likely to grow, particularly if sabotage incidents increase. The government will almost certainly make periodic crackdowns on refugees in urban areas, mostly to address the security concerns of urban Pakistanis. We, however, do not expect successful curtailment of the movement of Afghans on a continuing basis. To do so would require a considerable and sustained expenditure of police, paramilitary, and perhaps military resources, and could lead to conflict

with the independent Pushtuns in the frontier area who traditionally resent government authority.

Domestic security problems, in our view, have not become troublesome enough to cause the Pakistani Government, out of concern for the refugees, to reduce support for the insurgents, at least over the next year. We believe that officials in Islamabad are

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Would the Refugees Respond to a Settlement?

In a typical situation, refugees of similar ethnic heritage—the Afghans share a common heritage with the Pushtuns of Pakistan—are familiar with the language and the way the system operates, and they are more likely to stay in the host country, according to an article in the Political Science Quarterly. [redacted]

[redacted] *in most refugee situations, the fourth and fifth years are the watershed years in determining whether refugees will ever return to their homes in large numbers. After four or five years, the refugees begin to lose contact with their native country. By the end of roughly a decade, the refugees have become well enough integrated into the society of the host country that they are unlikely to leave.* [redacted]

We believe, however, there are several compelling factors that would induce a large number of the refugees to return to Afghanistan, even though many of them have resided in Pakistan for nearly nine years:

- *Tribal leaders, [redacted] command much respect and could influence refugees to return home if they perceive a settlement as just.*
 - *Many refugees are reluctant to move to better equipped camps that are far from the border, indicating that strong ties to their homeland remain.*
 - *Refugees have retained links to land and villages in Afghanistan. More than half of the refugees still have property in Afghanistan, [redacted] and many arrange for family members to return periodically to take care of it.*
 - *The relative confinement of women to camps prevents them from becoming more integrated into Pakistani culture.*
 - *Afghan religious leaders are often the refugee camp teachers. Their emphasis is on the Afghan way of life and the religion of Islam.* [redacted]
-

convinced that their hard line in negotiations and support to the insurgents have forced Moscow to make some concessions and they do not want to ease the pressure now. [redacted]

We believe, however, that concern over popular discontent about real or imagined refugee problems is an important factor prompting Islamabad to probe Moscow's flexibility to see if an agreement can be reached that would meet Pakistan's goals—withdrawal of all Soviet troops from Afghanistan and return of the refugees. Although Zia and Prime Minister Junejo do not appear overly concerned about refugee problems, they do not want to provide their political opponents with an issue by appearing to be laggard in seeking a just settlement. [redacted]

Alternative Scenario

We believe that Islamabad would resort to force to move refugees back to Afghanistan in the unlikely event a settlement was reached that key resistance leaders and the majority of refugee leaders found unacceptable. Refugees would take their cue from tribal leaders who are aligned with one of the seven resistance parties. Leaders of the resistance alliance would almost certainly discourage the refugees from returning to Afghanistan if they considered the regime in Kabul to be unacceptable. Under this scenario, we believe Islamabad would be prepared, as a last resort, to use paramilitary and military forces to make the refugees leave. We also believe Pakistani officials are confident that, if it came to using force, they could make life so miserable for the refugees that most of them would leave of their own accord. [redacted]

Outlook

In our judgment, domestic problems not directly associated with the Afghan refugees—a serious economic downturn, increased ethnic tension in Punjab, or a decline in international donor support—would prompt Islamabad to lower its price for an Afghan settlement. Zia and his senior colleagues already have demonstrated more concern than usual about outbreaks of sectarian violence, especially in Karachi,

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[redacted] According to US Embassy reports, Zia is concerned that Soviet propaganda has convinced many Pakistanis in Sind, including some government officials, that the sectarian violence is a direct result of Pakistan's hospitality to the refugees. [redacted]

We believe a major economic slump—reversing the trend throughout the Zia years—would, at a minimum, heighten the perception that refugees are a burden and put pressure on the government to seek a solution that would relieve Pakistan of caring for them. According to the US Embassy in Islamabad, remittances from Pakistani workers overseas—the largest single source of foreign exchange for Pakistan—are beginning a gradual downward spiral. In the last half of 1986 remittances fell 13 percent compared with the same period in 1985. Additional repercussions from the economic recession in the Middle East would be felt heavily in the North-West Frontier Province because a disproportionate number of Pakistan's workers overseas come from this region. Moreover, a spell of bad weather that reduced crop harvests would severely limit Pakistan's exports of rice and/or cotton—which account for half the value of exported goods—and would probably force Islamabad to impose austerity measures. [redacted]

According to the US Embassy, Islamabad fears that aid will not keep up with the rapidly growing needs of the refugees, and it will be watching for signs of donor fatigue. In the event of a significant decline in donor support, the Pakistanis would probably have to make up the difference, adding to the public perception that the refugees are an unwanted burden. [redacted]

Implications for the United States

Islamabad will look to the United States to urge multilateral and bilateral donors to continue and even increase their aid to the Afghan refugees. Pakistani officials undoubtedly believe that continued pressure from Washington is a powerful tool against donor fatigue. [redacted]

Should aid levels fail to keep pace with a growing refugee population, Islamabad, citing popular discontent over refugees, would look to the United States to make up the difference. Pakistani officials would argue that they are already devoting all the resources they can to the refugees, that they have pressing development needs elsewhere in the country that must be met, and that they believe it is in Washington's interest to do what it can to prevent support for the refugees from becoming a serious political issue in Pakistan. [redacted]

If a settlement is reached on Afghanistan that has US support, we believe that Islamabad would expect Washington and the international donor community to assist in transporting the refugees back to Afghanistan. Pakistani officials would encourage the United States to provide funds for such things as rebuilding houses, repairing small shops and factories, and purchasing tools and seed to resume agricultural production. Islamabad would probably argue that such aid would be on a one-time basis and that the costs would not exceed the support currently going to the refugees. [redacted]

We believe that Pakistan would change its Afghan policies if it concluded that US aid would be significantly reduced because of US spending constraints, the nuclear issue, or a change in the US administration. Pakistani officials under such circumstances would probably seek a settlement with the Soviet Union on Afghanistan less acceptable to Washington. We believe Pakistani officials could drum up considerable domestic political support for such a settlement by portraying their action as demonstrating their independence from the United States and solving a serious domestic political problem. [redacted]

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