

TO: U.S. National Security Council
FROM: Iris Allgrove
SUBJECT: China's Increased Engagement with the Taliban

This policy memo reviews China's involvement in Afghanistan and its effect on terrorism in the region. Since the United States left Afghanistan in August of 2021, China has attempted to fill the power vacuum and has committed to aiding the new Taliban government. Beijing's increasing investment is funding a fundamentalist militant organization, the Taliban, which opposes U.S. anti-terrorism and humanitarian interests in the region. Additionally, the Taliban has been unable to control the Islamic State Khorasan Province (IS-K), a more violent and extreme terrorist group, without U.S. military aid. President Biden should continue current antiterrorism and humanitarian efforts in Afghanistan without deploying U.S. troops and allow China to work with the Taliban and to handle the IS-K.

Background

The United States left Afghanistan following the Doha agreement with the Taliban in which it agreed to completely withdraw from the country by May 2021.¹ Since Washington signaled its decreasing presence in the region, its adversaries, especially China, have attempted to fill the void. Beijing has not formally recognized the Taliban government, but it has accredited diplomats the nascent government appointed and has kept its embassy open in Kabul.² China has also committed to providing economic and humanitarian aid for Afghanistan. In March of 2022, Beijing launched the Tunxi Initiative, which spearheaded increased aid to Afghanistan from Kabul's neighbors and Russia in hopes of incorporating it into the China-Pakistan Economic Corridor and the Belt and Road Initiative (BRI).³ Chinese companies continue to invest with Beijing's support and influence. China's ambassador to Kabul and Taliban representatives observed the signing of a deal with a Chinese, state-owned petroleum company, Xinjiang Central Asia Petroleum and Gas Co (CAPEIC), that would bring in \$150 million a year to Afghanistan.⁴ However, Afghans have been skeptical of the deal. Another Chinese company signed an agreement with the former Afghan government in 2011 to explore and produce oil, but when the company was questioned about regulations and the budget, it shut down its operations in Afghanistan.⁵ Despite Beijing's support of the new government, it has been confronted with resistance from IS-K militants, who harbor anti-Chinese sentiments. On December 12th, 2022, IS-K took responsibility for an assault on a Chinese-owned hotel in Kabul, resulting in Beijing encouraging its citizens to evacuate from the country.⁶ Neither China nor the Taliban government have been able to control the terrorist group, which has continued its targeted attacks.

Relevance and Importance

China's welcoming of the new Taliban government and increased investment has sent a signal to U.S. adversaries that they will have a safe haven for international investment and support. China has both economic and security interests in Afghanistan. It hopes to prevent Uyghur militant groups, mainly the Turkestan Islamic Party (TIP), from destabilizing the region and coming into Western China. Additionally, Beijing seeks to invest in untapped oil reserves, likely to be worth over \$1 trillion, and to expand the BRI.⁷ Through economic aid, it aims to stabilize Afghanistan to prevent terrorism from coming into China. However, Beijing has not seen success yet and has been met with resistance from the IS-K, which has partnered with the TIP, a terrorist group that vehemently opposes China and seeks to create their own nation on Chinese territory.⁸

If the U.S. does not compete with Chinese investment in Afghanistan and does not deploy troops to the ground, the Taliban will continue to violate human rights while terrorist organizations will have a safe haven. Beijing has ignored the Taliban's human rights violations and will allow them to continue unless they affect Chinese citizens.⁹ The Taliban has implemented harsh restrictions on women's freedoms, conducted public executions of dissenters, and unlawfully detained and tortured journalists among other violations of human rights.¹⁰ In addition, the Taliban and Al-Qaeda maintain a close relationship, and Al-Qaeda has taken advantage of the Taliban's takeover to develop a base for recruitment and rebuilding in Afghanistan.¹¹ Al-Qaeda has declared war on the U.S. and remains a cause for alarm, posing a threat to U.S. security.¹² However, Al-Qaeda has not launched a successful attack since 2019 in the West and remains fractured after the U.S.'s killing of its leader in Kabul in 2022.¹³ The U.S. has managed to conduct effective counterterrorism efforts without troops on the ground by relying on allies and foreign agents for intelligence and utilizing drone strikes to remove threats.¹⁴

If the U.S. does not interfere with Beijing's economic support, it will not pose a grave threat to U.S. economic competition or security interests in the region; China is not expected to see progress in its unstable neighbor. Additionally, more than 90 percent of Afghans are coping with food insecurity and a myriad of businesses have downsized or closed, indicating that the economy will not grow presently.¹⁵ China has increased its aid to the country, but it is not enough to make up for the loss of funding from the West.¹⁶ However, if China follows through on its petroleum deal with the Taliban and increases its investments, likely stabilizing the economy, the Taliban would be better equipped and funded to quell IS-K and other extremist group insurgencies, reducing terrorist threats to both Beijing and Washington. Although it is unlikely China will succeed, the IS-K's attacks remain regional and targeted towards the Taliban and China.¹⁷ Thus, the group is not a pressing security concern for the U.S. and may prevent Chinese influence from growing in the region.

Taking further action, such as increasing humanitarian aid, deploying troops, or seeking business ventures with the Taliban government, would not be a worthwhile investment for the U.S. Since August 2021, Washington has contributed over \$1 billion in humanitarian relief to the Afghan people although it cannot be certain that its contributions are not funding the Taliban.¹⁸ Thus, increasing financial support could prove counterproductive, and reducing it could further destabilize the region. If troops were deployed to Afghanistan, the U.S. could become entrapped in a war with China, the Taliban, and possibly regional terrorist groups. Seeking economic ventures in Afghanistan would result in the same challenges China is facing with the unstable government and lack of infrastructure, but Washington would have an additional issue of a hostile Taliban.

Recommendation

The U.S. should maintain the status quo policy. Washington should remain focused on counterterrorism efforts based in international information sharing and encouraging states to build their own antiterrorism capacities.¹⁹ Additionally, humanitarian aid to Afghanistan should continue, since the country is undergoing a food insecurity crisis, which would be exacerbated by a decrease in support. The president should not interfere with Chinese involvement in Afghanistan, since Beijing is not expected to see financial gain unless it takes a large risk by dramatically increasing its investment with the Taliban. Additionally, China has captured the attention of regional terrorist groups, drawing focus away from Washington. The U.S. no longer has substantial vested interests in Afghanistan, besides those of counterterrorism.

¹ Islamic Republic of Afghanistan and United States of America, “Joint Declaration between the Islamic Republic of Afghanistan and the United States of America for Bringing Peace to Afghanistan” (U.S. State Department, February 29, 2020).

² Zia ur Rehman, “Security Concerns Bring China Closer to Taliban,” *VOA News*, August 11, 2022, <https://www.voanews.com/a/security-concerns-bring-china-closer-to-taliban-/6697339.html>.

³ Marcus Yam, “With the U.S. out of Afghanistan, China Comes Calling,” *Los Angeles Times*, November 17, 2022, <https://www.latimes.com/world-nation/story/2022-11-17/china-interest-afghanistan-trade-economics-stabilization>.

⁴ Ayaz Gul, “Taliban Seal Afghan Oil Deal With China,” *VOA News*, January 5, 2023, sec. South & Central Asia, <https://www.voanews.com/a/taliban-seal-afghan-oil-deal-with-china/6905840.html>.

⁵ Ruchi Kumar and Hikmat Noori, “Will China’s Latest Investment in Afghanistan Actually Work?,” *Aljazeera*, February 27, 2023.

⁶ Zia Ur Rehman, “ISIS-K Attack in Kabul Compounds China’s Insurgency Headaches,” *Nikkei Asia*, December 18, 2022, sec. Terrorism, <https://asia.nikkei.com/Politics/Terrorism/ISIS-K-attack-in-Kabul-compounds-China-s-insurgency-headaches>.

⁷ Gul, “Taliban Seal Afghan Oil Deal With China.”

⁸ Barbara Kelemen, “China’s Clouded Future in Afghanistan,” *The Diplomat*, February 22, 2023.

⁹ Ian Johnson, “How Will China Deal With the Taliban?,” *Council on Foreign Relations*, August 24, 2021.

¹⁰ UNAMA Human Rights Service, “Human Rights in Afghanistan” (United Nations Assistance Mission in Afghanistan, July 2022).

¹¹ Jerome Drevon, “The Al-Qaeda Chief’s Death and Its Implications,” *International Crisis Group*, August 9, 2022.

¹² Drevon.

¹³ Drevon.

¹⁴ Douglas London, “What We Can Expect in Afghanistan from US Intelligence Once US Troops Are Gone,” *Just Security*, July 1, 2021.

¹⁵ Lindsay Maizland, “The Taliban in Afghanistan,” *Council on Foreign Relations*, January 19, 2023.

¹⁶ Vanda Felbab-Brown, “Afghanistan in 2023: Taliban Internal Power Struggles and Militancy,” *Brookings*, February 3, 2023, <https://www.brookings.edu/blog/order-from-chaos/2023/02/03/afghanistan-in-2023-taliban-internal-power-struggles-and-militancy/>.

¹⁷ Kelemen, “China’s Clouded Future in Afghanistan.”

¹⁸ Office of Press Relations, “The United States Has Provided More Than \$1.1 Billion To Respond To Humanitarian Crisis In Afghanistan Since August 2021” (United States Agency for International Development, September 23, 2022).

¹⁹ “Countering Terrorism,” Policy Issues (U.S. Department of State, n.d.).