Afghan Economic Sovereignty:
Establishing a Viable Nation

- **The absence of a viable economic base is one of the primary factors that has historically led to state failure.**

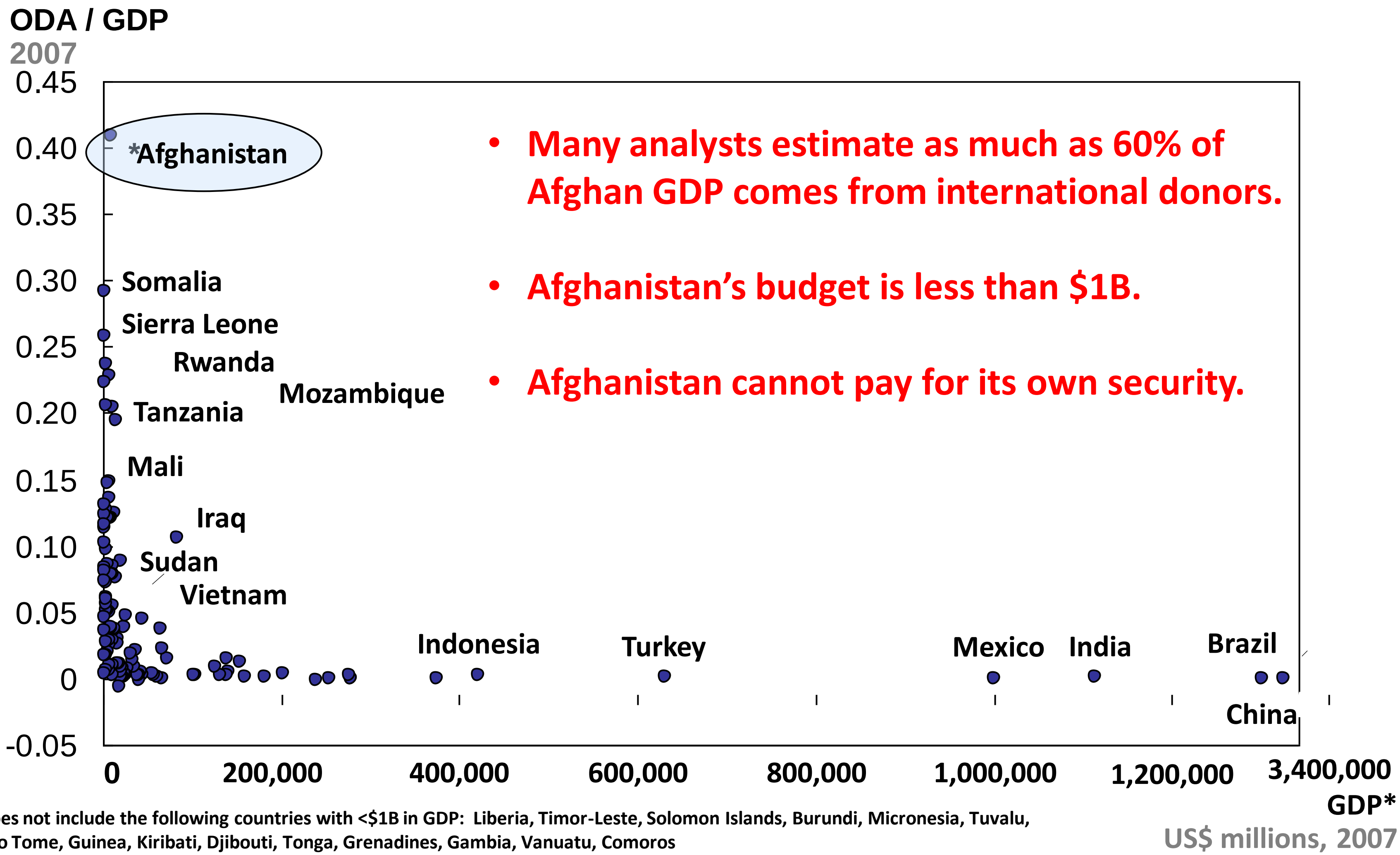
- **For Afghanistan to be a stable country now, and in the future, we must create this economic base.**

TFBSO geology team collected samples of carbonatite deposits at Khanneshin in Helmand Province, while U.S. Marines provide security, Sept. 2009.

During a 12-week assessment, over 50 members of TFBSO teams conducted more than 60 individual site visits throughout Afghanistan, assessing many critical sectors of the Afghan economy.

Strategic Observation: Lack of Economic Sovereignty

As a donor-funded “charity state,” Afghanistan’s government lacks legitimacy locally and internationally impairing the viability of any long-term strategy for Afghanistan, leading many to ask, “How much longer will donor nations keep Afghanistan afloat?”



• Does not include the following countries with <$1B in GDP: Liberia, Timor-Leste, Solomon Islands, Burundi, Micronesia, Tuvalu, Sao Tome, Guinea, Kiribati, Djibouti, Tonga, Grenadines, Gambia, Vanuatu, Comoros

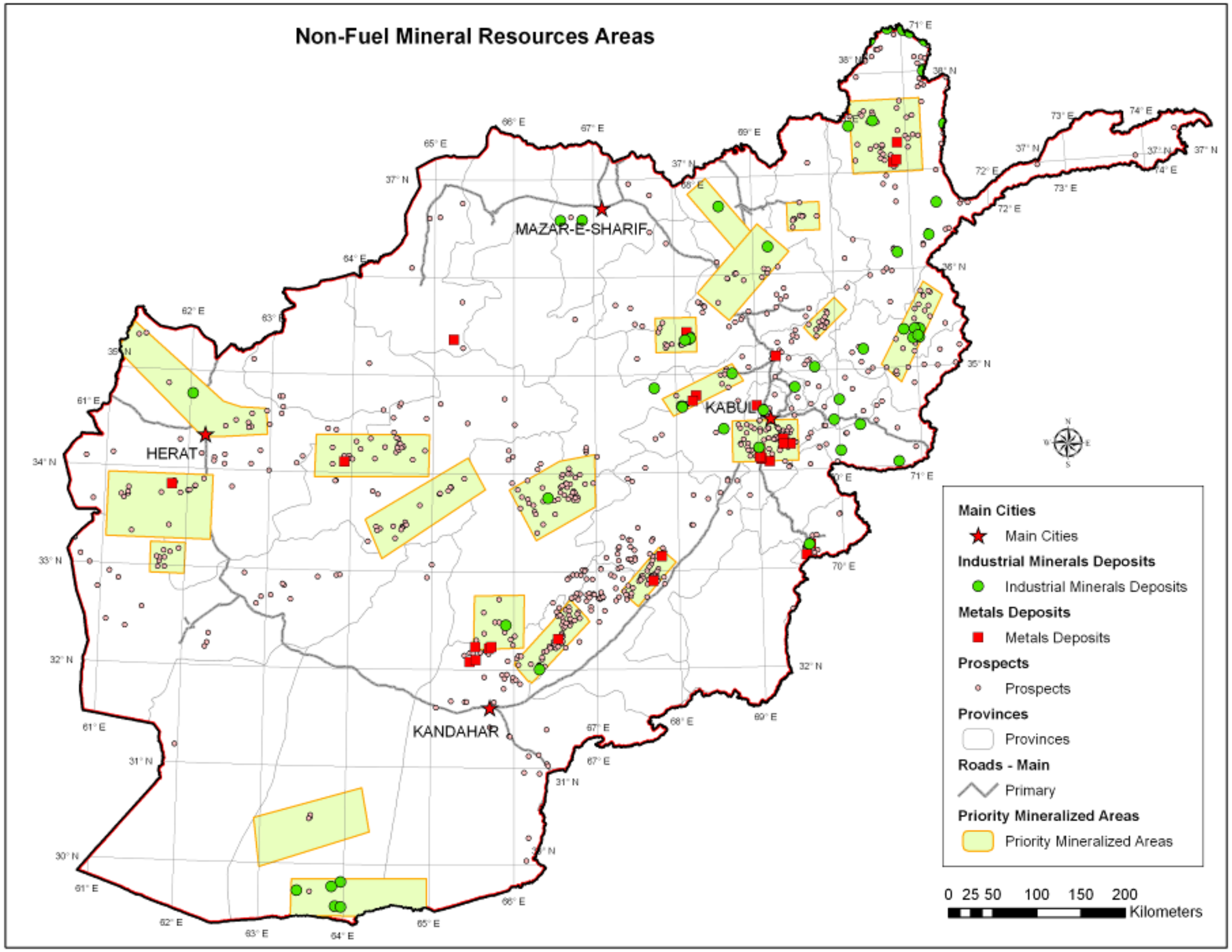
Strategic Observation: Lack of Intra-Afghan Commerce

- **Most Afghan economic activity is either local or international, involving trade within cities or with neighboring countries. There is little intra-Afghan “economic connectivity.”**
  - Historically, intra-country economic connectivity has been essential to the creation of a national identity among ethnic groups, within and between urban and rural environments, and a pillar of a country’s stability.
  - Invigorating existing industries can be done in a way that creates models of intra-Afghan commerce.
  - Over time, this could further “knit” Afghanistan together—Helmand trading with Herat—creating mutual, intertwined interests augmenting Afghanistan’s parochial affiliations and tribal bonds with ties of national identity.

- **This will ultimately promote stability**.

Afghan Mineral Resources (Non-Fuel): Estimated Value

$908B: Current potential value* of metal and industrial mineral development in Afghanistan, at current prices in today's global economic downturn.

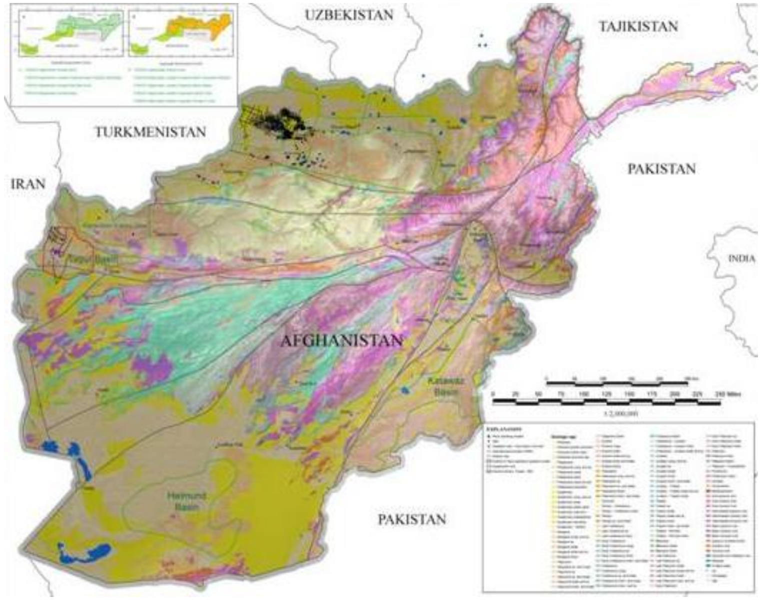


MINERALS	
Iron	$420,850,000,000
Copper	$273,998,000,000
Niobium	$81,200,000,000
Cobalt	$50,820,000,000
Gold	$24,996,000,000
Molybdenum	$23,892,000,000
Rare Earth Elements	$7,406,000,000
Asbestos	$6,322,000,000
Silver	$5,335,000,000
Potash	$5,090,000,000
Aluminum	$4,434,000,000
Graphite	$671,000,000
Lapis Lazuli	$650,000,000
Fluorite/Fluorspar	$644,000,000
Phosphorus	$581,000,000
Lead and Zinc	$547,000,000
Mercury	$495,000,000
Strontium	$408,000,000
Sulfur	$234,000,000
Talc	$164,000,000
Magnesite	$161,000,000
Kaolin	$50,000,000
TOTAL	**$908,948,000,000**

USGS agrees with assertion: "At least 70% of Afghanistan's mineral resources are yet to be identified."

*** Known and estimated "undiscovered" resources anticipated by USGS and AGS and using prices as of 12/09.**

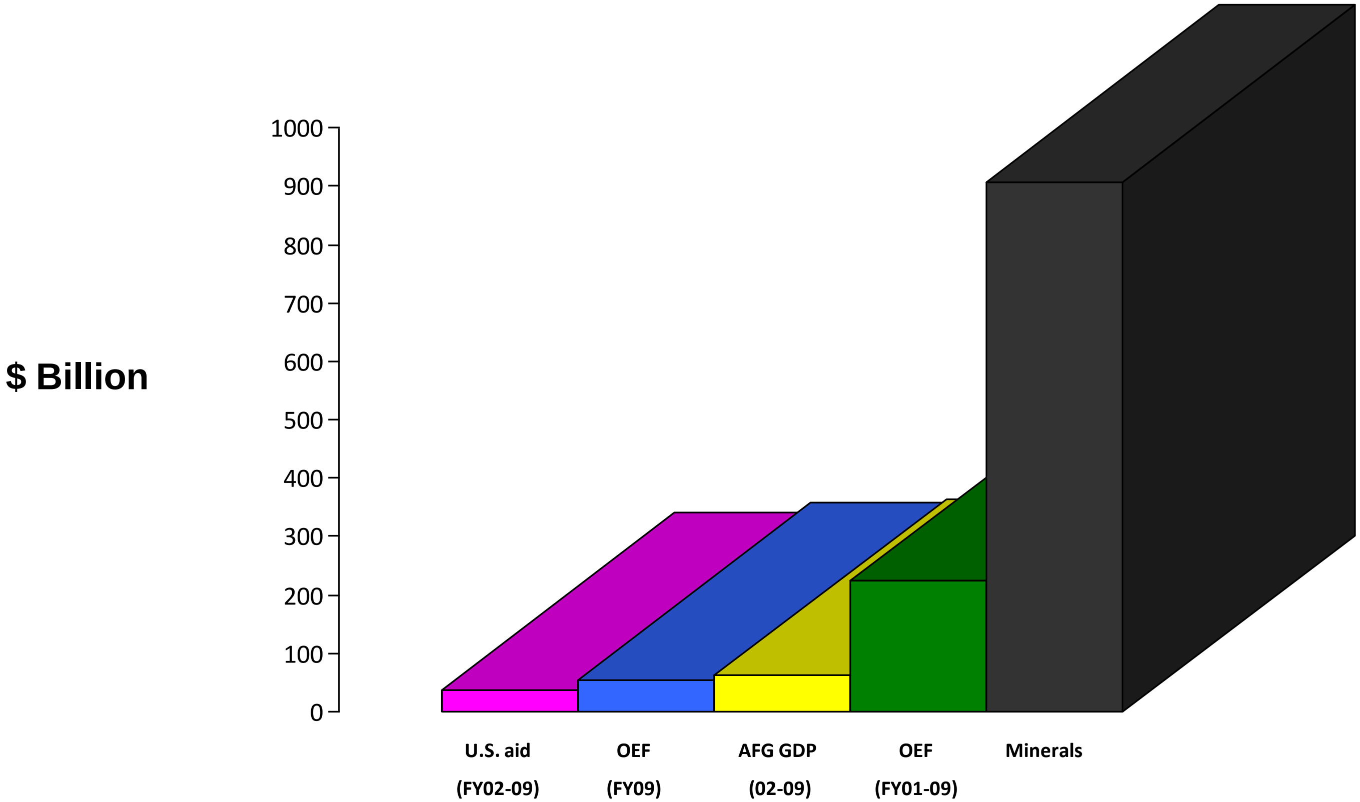
Afghan Mineral Resources (Fuel): Estimated Value



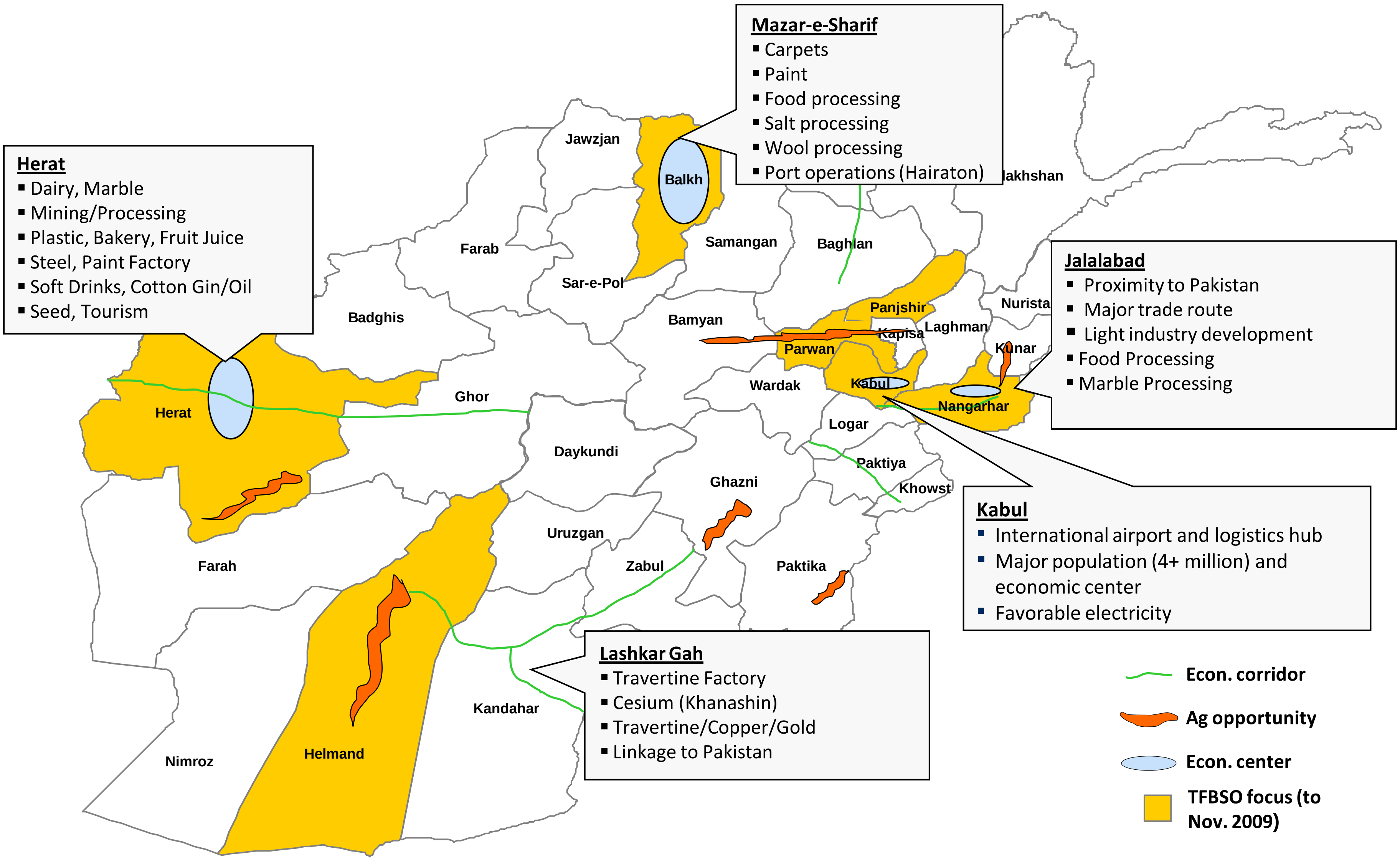
Resource	Primary Location	Quantity	Potential Value
Crude Oil	Afghan-Tajik Basin	1,596B Barrels	$123,195,240,000 (at $77.19/Barrel)
Natural Gas	Amu Darya Basin	15,687B Cubic Feet	$56,316,330,000 (at $3.59/MMbtu)
Natural Gas Liquids	Amu Darya Basin	562M Barrels	$43,380,780,000 (at $77.19/Barrel)
		TOTAL	**$222,892,350,000**

Context: Scale of Mineral Wealth

- Estimated total U.S. development assistance (FY02-09): **$38B**
- Estimated OEF (FY09) total, including enacted bridge and supplementary request: **$55.2B**
- Afghanistan nominal GDP (FY02-09): **$62.7B**
- Estimated OEF (FY01-FY09) cumulative total, including FY09 supplemental request: **$223.2B**
- Estimated value of ***largely unrealized*** metal/industrial mineral development in Afghanistan: **$908B**



Understanding Local Economic Opportunities



NOTE: Map adapted from USG Integrated Civilian-Military Campaign Plan for Support to Afghanistan (August 2009)