

BORDER TOWNS, MARKETS AND CONFLICT



Rift Valley Institute
MAKING LOCAL KNOWLEDGE WORK



Border Towns, Markets and Conflict

A joint report from The Asia Foundation,
Malcolm H. Kerr Carnegie Middle East Center,
and the Rift Valley Institute

Managing Editors: Cedric Barnes and Nathan Shea

Authors: Freddie Carver, Azeema Cheema, Duol Ruach Guok, Naw Betty Han, Kheder Khaddour,
Joseph Diing Majok, Ahmed Nagi, Armenak Tokmajyan

Graphic Design: Deddeaw Laosinchai

Map Design: MAPgrafix

Copy Editor: Friena Guerrero

Additional contributions: Mohanad Hage Ali, Manhal Bareesh, Adam Burke, Kim Jolliffe,
David Mathieson, Adrian Morel, Jessica Olney, Tabea Campbell Pauli, Anna Rowett, Marianne Sarkis,
Nathan Shea, Magnus Taylor, Pattamon Wattawanitchakorn, Maha Yahya

This report is a product of the FCDO's Cross-Border Conflict: Evidence, Policy and Trends (XCEPT) program, funded by UK aid from the UK government. XCEPT brings together leading experts to examine conflict-affected borderlands, how conflicts connect across borders, and the factors that shape violent and peaceful behavior. This research is a part of XCEPT's Local Research Network, which engages experts on the ground to build data, evidence and analysis that reflects the local experiences of fragility and conflict. For more information on XCEPT and the Local Research Network visit www.xcept-research.org.

For more information on the project contact Nathan Shea, Program Manager, XCEPT
nathan.shea@asiafoundation.org

The views expressed in the document do not necessarily reflect those of The Asia Foundation, the Malcolm H. Kerr Carnegie Middle East Center, The Rift Valley Institute, or the UK government.



This work is licensed under a Creative Commons Attribution-NonCommercial 4.0 International License.

March 2022

XCEPT
CROSS-BORDER CONFLICT
EVIDENCE / POLICY / TRENDS



Table of Contents

| | |
|--|----|
| About the Authors | 3 |
| About the Project | 5 |
| About the Partners | 6 |
| Foreword | 7 |
| Introduction | 9 |
| | |
| PART I — STATE SECURITIZATION AND TERRITORIAL CONTROL | |
| | |
| Torkham, Afghanistan–Pakistan Border: Securitization, Local Livelihoods and Cross-Border Trade Azeema Cheema | 17 |
| Makha, Yemen–Maritime Border: The Militarization of Coastal Areas Ahmed Nagi | 27 |
| | |
| PART II — MARKETS, URBANIZATION AND PRECARITY | |
| | |
| Sarmada, Syria–Turkey Border: Conflict, Humanitarian Aid, and New Economic Centers Armenak Tokmajyan and Kheder Khaddour | 33 |
| Northern Bahr el-Ghazal State, South Sudan–Sudan Border: War, Marketization and Changing Gendered Orders Joseph Diing Majok | 43 |
| | |
| PART III — CONFLICT AND THE MILITARIZATION OF ECONOMIES | |
| | |
| Maiwut, South Sudan–Ethiopia Border: Trade, Local Political Economies and National Conflict Freddie Carver and Duol Ruach Guok | 49 |
| Shwe Kokko, Myanmar–Thailand Border: Militia Capitalism and Illicit Development Naw Betty Han | 61 |

Table of Figures

| | | |
|------------------|---|----|
| Figure 1: | Main border crossing between Afghanistan and Pakistan | 19 |
| Figure 2: | Makha city, Yemen and areas under selected governorate | 29 |
| Figure 3: | Rise of Sarmada as a trade hub | 34 |
| Figure 4: | Northern Bahr el-Ghazal Borderlands | 44 |
| Figure 5: | An example of a lineage under the Nuer concept of cieng | 51 |
| Figure 6: | The Gambella-South Sudan border | 53 |
| Figure 7: | Shwe Kokko city on the border of Myanmar and Thailand | 62 |

List of Acronyms

| | |
|-----------|---|
| BGF | Border Guard Force |
| CPA | Comprehensive Peace Agreement |
| FATA | Federally Administered Tribal Areas |
| HTS | Hay'at Tahrir al-Sham |
| IOM | International Organisation for Migration |
| NATO | North Atlantic Treaty Organisation |
| NLC | National Logistics Cell |
| SGBV | Sexual and gender-based violence |
| SPLA | Sudan People's Liberation Army |
| SPLM/A-IO | Sudan People's Liberation Movement/Army in Opposition |
| UAE | United Arab Emirates |
| UN | United Nations |
| US | United States of America |
| XCEPT | Cross-Border Conflict: Evidence, Policy and Trends |

About the Authors

Cedric Barnes

Cedric Barnes is Senior Principal Research Analyst, and Head of the Africa Research Group, in the UK Foreign Commonwealth and Development Office (FCDO). He was previously Director of Research and Communications at the Rift Valley Institute, where with other partners he helped establish the XCEPT programme. From 2012-2016 he was Horn of Africa Project Director at International Crisis Group. He holds degrees from SOAS and a PhD from the University of Cambridge.

Freddie Carver

Freddie is a researcher and analyst working on the political economy of aid and displacement in the Horn of Africa, based in Ethiopia. He has worked in the aid sector since 2003, both on humanitarian and development programming and for a decade as a governance and conflict adviser for the British government's Foreign, Commonwealth and Development Office (FCDO). He knows South Sudan and the Horn of Africa best, although he has also worked on programs in West Africa, the Middle East and Asia. Since 2016 he has worked as a freelance researcher and consultant, focusing particularly on the nature of transnational networks emanating from the Horn. He is a Rift Valley Institute Fellow and an ODI Research Associate.

Azeema Cheema

Azeema Cheema is the Founding Director at Verso Consulting where she leads the portfolio on Conflict, Fragility and Violence. She specializes in applied political economy and conflict sensitivity for complex programs. As a co-creator of the Mass Anxieties Project Azeema focuses on the discourse of violence and non-violence in social movements and developing communications frameworks to assist peace building. Azeema currently leads research in Pakistan under the X-Border Local Research Network on fragility in local market systems and conflict dynamics in borderland communities along the Pakistan-Afghanistan border.

Duol Ruach Guok

Duol is a researcher and former diplomat from South Sudan's Gambella region. He holds an MA in Federal Studies from Addis Ababa University and a post graduate diploma from University of Fribourg, Switzerland. He has participated in several research projects in South Sudan, including with the Danish Refugee Council and UNFPA, the latter on gender-based violence among the South Sudanese refugee population in Gambella Regional State, Ethiopia. He was the co-author, with Freddie Carver, of the Rift Valley Institute's report, "'No one can stay without someone': Transnational networks amongst the Nuer-speaking peoples of Gambella and South Sudan' (2020).

Naw Betty Han

Naw Betty Han is a reporter at Frontier and previously worked as a senior reporter at the Myanmar Times. She began her journalism career at the Democratic Voice of Burma in 2014, primarily doing video, and worked for the Hinthar weekly journal in 2016 as a politics and foreign news reporter.

Kheder Khaddour

Kheder Khaddour is a nonresident scholar at the Malcolm H. Kerr Carnegie Middle East Center in Beirut. His research centers on civil military relations and local identities in the Levant, with a focus on Syria. Kheder leads research by the X-Border Local Research Network on the Syrian borders.

Joseph Diing Majok

Joseph Diing Majok holds a degree in Sociology and Social anthropology from the University of Juba, South Sudan. He started working with the Rift Valley Institute in 2017 as an assistant researcher on the South Sudan Customary Authorities project. He is now taking on a role designing and leading research in South Sudan both as part of the X-Border Local Research Network and other Rift Valley Institute projects.

Ahmed Nagi

Ahmed Nagi is a nonresident scholar at the Malcolm H. Kerr Carnegie Middle East Center in Beirut, where his research centers on Yemen. Nagi is also research manager at the Institute of Citizenship and Diversity Management at Adyan Foundation, Lebanon, and a country coordinator on Yemen at Varieties of Democracy Institute (V-Dem), Sweden. He is also a co-founder of Insight Source Center for Research and Consulting, Yemen. Nagi holds a Master's degree in public governance from the University of Granada, Spain. His research focuses on religious and tribal identities, citizenship, state building, civil society, conflict dynamics, and Yemen's relations with its neighboring countries.

Armenak Tokmajyan

Armenak Tokmajyan is a nonresident scholar at the Malcolm H. Kerr Carnegie Middle East Center. His research focuses on borders and conflict, Syrian refugees, and local intermediaries in Syria. Armenak leads research by the X-Border Local Research Network on the Syrian borders.

About the Project

XCEPT

CROSS-BORDER CONFLICT
EVIDENCE / POLICY / TRENDS

The Cross-Border Conflict: Evidence, Policy and Trends (XCEPT) project seeks to better understand conflict-affected borderlands, how conflicts connect across borders, and the factors that shape violent and peaceful behavior, to inform effective policy and program responses.

Conflicts in the Middle East, Africa and Asia intersect through flows of people, weapons and resources, creating intricate cross-border conflict systems. These knit the formal and informal, licit and illicit in ways that empower armed actors, enmesh conflict with crime and violent extremism, and ensnare local communities. They make protracted conflicts even more difficult to resolve. International conflict response needs to innovate to meet the challenges of cross-border conflict. This includes transcending state-centric approaches to tackle the transnational networks that drive and sustain conflict and support communities coping with protracted crisis.

The X-Border Local Research Network is a component of the XCEPT project. It builds partnerships with local researchers and institutions based in the regions that they study; maintaining and expanding research networks across remote and difficult-to-reach conflict-affected areas, including in the Afghanistan-Pakistan borderlands, Iraq, Syria and Yemen, Somalia, Sudan and South Sudan. The Local Research Network works to strengthen the research methods and capacity of its local partners.

About the Partners



The Asia Foundation

The Asia Foundation is a nonprofit international development organization committed to improving lives across a dynamic and developing Asia. Informed by six decades of experience and deep local expertise, our work across the region is focused on good governance, women's empowerment and gender equality, inclusive economic growth, environment, and climate action, and regional and international relations.

The Asia Foundation leads the X-Border Local Research Network. As part of the program, it commissions research in the borderlands of Afghanistan, Pakistan, Bangladesh, Myanmar and the maritime border area between the Philippines, Malaysia and Indonesia. A primary focus of this research is to document the effects of state intervention, policy changes and other events on the livelihoods of border populations, patterns of trade and cross-border movement, and security dynamics.



MALCOLM H. KERR
CARNEGIE MIDDLE EAST CENTER

Malcolm H. Kerr Carnegie Middle East Center is an independent research institute based in Beirut, Lebanon, that is part of the Carnegie Endowment for International Peace. Drawing on the knowledge of our top regional experts, Malcolm H. Kerr provides in-depth analysis of political, socio-economic, and security issues in the Middle East and North Africa. It seeks to cultivate a deeper understanding of the region by offering insights into the challenges faced by states and citizens, and by addressing long-term trends. As freedom of expression has been increasingly curbed, Malcolm H. Kerr has served as a space for individuals to express their views on the region and reflect on potential solutions.

As a partner in the XCEPT program's X-Border Local Research Network, Malcolm H. Kerr conducts research in the borderlands of Algeria, Egypt, Iraq, Jordan, Kuwait, Syria, Tunisia, and Yemen. A primary focus of this research is to assess how internal conflicts, external intervention, and human loss and displacement are shaping border areas in the Middle East and North African border areas.



Rift Valley Institute
MAKING LOCAL KNOWLEDGE WORK

The Rift Valley Institute (RVI) is an independent, non-profit organization, founded in Sudan in 2001, whose researchers currently work across eastern and central Africa. The institute's aim is to advance useful knowledge of the region and its diverse communities, bringing a better understanding of local realities to bear on social and political action. The RVI works with institutions in the region to develop and implement long-term programs that combine action-oriented research with education and public information.

On the XCEPT program, RVI's work is focused on the X-Border Local Research Network, particularly in Sudan, South Sudan and Somalia, as well as some of the countries that they border.

Foreword

Border Towns, Markets and Conflict is the first joint thematic report from the Cross-Border Conflict: Evidence, Policy, and Trends (XCEPT) program. XCEPT brings together leading experts to examine conflict-affected borderlands, how conflicts connect across borders, and the drivers of violent and peaceful behavior. This report is produced by the project's Local Research Network, which works to develop a better understanding of political, economic, and social dynamics in conflict-affected border areas of Asia, the Middle East, and Africa. The Local Research Network is a partnership between The Asia Foundation, the Malcolm H. Kerr Carnegie Middle East Center, and the Rift Valley Institute.

This report aims to amplify a grounded understanding of the everyday reality of communities in fragile border areas, and how conflict shapes their lives. Border settlements, whether they are trading gates and ports or the adjacent towns and cities that provide labor and local markets, are the conduits through which both formal and informal trade pass. At the same time, they are often the site of contestation between state administrations on either side of the border, and local communities and practices.

While most XCEPT research directly addresses current policy concerns, this report offers insight into some of the broader trends that drive conflicts in border areas. The six towns in this report—covering the borders of Afghanistan–Pakistan, Myanmar–Thailand, South Sudan–Ethiopia, South Sudan–Sudan, Syria–Turkey, and the Yemen–maritime border—illustrate the complexity of political economies in border areas affected by conflict and fragility. Three long form chapters and three shorter “snapshots” make up the collection, collated under three broad themes: *State securitization and territorial control; markets, urbanization and precarity; and conflict and the militarization of economies*. An introduction, written by managing editor Cedric Barnes, frames these three subsections while also extracting the salient considerations for development policy and practice. Together, the report presents a way of understanding the complex dynamics at play around fragile borders and their effect on trade, governance, and the day-to-day lives of local populations.

Beginning in 2018, XCEPT has been working in some of the most fragile and conflict-affected border areas on the planet. Each of the three Local Research Network organizations maintains an on-the-ground presence in the regions they work through local offices and partnerships. The project works with local researchers, civil society organizations, and academic institutions to design and deliver research, provides training and skills-development opportunities where needed, and promotes local voices and insight to contribute to policy solutions for intractable conflict.

As a testament to this approach, six of the seven authors of the case studies featured in this report are from the Local Research Network, and are nationals of the country they study. Each chapter features data and analysis collected as part of the ongoing research conducted in the project's field sites by local teams. Their voices are vital for understanding local conflict conditions and to center affected populations in the study of conflict-affected border areas.

In 2021, XCEPT grew to include new research streams and partners, expanding the tools and expertise deployed to research cross-border conflict. In the coming years the project will continue to shed light on the drivers and impacts of violence in border areas, with the aim of contributing to more peaceful and prosperous societies.

Nathan Shea
Program Manager, XCEPT
Assistant Director of Conflict and Fragility,
The Asia Foundation
March 2022



INTRODUCTION

BORDER TOWNS, MARKETS AND CONFLICT

This report focuses on cities, towns, and informal settlements around conflict-affected national borders, and the flows of people, goods, and ideas through them. These border settlements and the trade that sustains them are vital aspects of conflict and contested politics in frontier areas across much of the world.

The XCEPT program is premised on the understanding that many border regions are heavily affected by long-term conflict and instability, yet the ongoing dynamics and their implications often remain poorly understood and inadequately integrated into policymaking. XCEPT also sees border zones as the site for competing attempts at state-building and the regional ordering of states.

This report provides clear and practicable examples of the various conflict dynamics observable in border towns and markets. While its chapters cover prominent case studies from the borders of Afghanistan–Pakistan, Myanmar–Thailand, South Sudan–Ethiopia, South Sudan–Sudan, Syria–Turkey, and the Yemen–maritime border, the introductory overview also seeks to provide a rapid grounding of the approach and concepts that underpin the research. The case studies then highlight how political contestation, economic competition or social change in fragile and conflict-affected states can be observed and better understood.

The prescriptive take on conflict-affected border regions (or ‘borderlands’), commonly held at the national level and particularly so in capital cities, is that they remain unruly given persistent local attempts to exploit gaps in authority and to resist the government’s efforts to impose much-needed order. Governments are often also keen to blame neighboring countries for using restless and ungoverned peripheries to undermine exclusive claims to authority.

The case studies in this report also indicate that, in addition to the state authorities and nonstate groups struggling to impose or resist authority, there is a third autonomous force at play which is often overlooked. This is the globalized economy, or more abstractly, market forces. These case studies show that conflict, insecurity, and overlapping authority in the borderlands are partly a result of struggles to harness or exploit these market forces, whether as goods, labor, resources, or even as ideas or ideologies.

These contested border zones are uncomfortable territory for policy and programming on the part of national governments, governments of neighboring countries, regional and global organizations, and among western democracies. In the post-9/11 world, in particular, border zones where the state presence is light and contested, if existing at all, are perceived as a worrisome ungoverned space.

The concerns over ungoverned border spaces have further deepened with surges in illegal or informal migration, and lively flows of contraband commerce including drugs and arms. These spaces are also where insecure transnational and sometimes transient communities, including refugees and the internally displaced, are found. Such groups are often denied political voice, find their rights undermined, and in many cases require humanitarian assistance. For several decades these areas have also been seen as access points for humanitarian corridors.

For the international community, border zones represent a nexus of conflicting security, development, and humanitarian concerns. There is a clear need to understand how particular cross-border political economies actually function in these areas, and the relative risk and opportunities attendant to them. Once the nuances are grasped, then evidence-based peacebuilding and humanitarian interventions become viable. In particular, it remains vital to see these areas for what they are, rather than as an aberration according to conventional notions of state order.

I. STATE SECURITIZATION AND TERRITORIAL CONTROL

Border or frontier settlements often sprouted around government border posts or remote military garrisons. Historically, these state outposts had two connected purposes: to subdue and impose centrally directed administration, and to collect customs or taxes to pay for the same administration. Urbanization, including secure markets for trade, often followed, and other services were eventually added such as health and education.

Though these processes in the border zones of both western and non-western states and empires have a long history, the act of garrisoning the borderlands to impose sovereignty and regulate flows between states and the limits of their authority, has been constantly revisited and remains in practice today.

For example, the Pakistan-Afghanistan frontier has for centuries acted as a gateway from east to west, with the Khyber Pass forming part of the ancient Silk Road and the region being at the frontiers of empires. The modern nation states of Pakistan and Afghanistan have disputed the Durand Line boundary drawn up by colonial Britain in the late 19th century, and until today, it divides Pashtun communities that call the mountainous border region home.

Pakistan, beset by instability from Taliban militants in the northwest and Baloch separatists further south, has progressively sought to assert its control along the 2670 km border, and in 2017 began an ambitious plan to fence its entirety. The government also fortified major border gates, greatly limited movement through minor gates, and restricted free movement for many borderland communities.

Torkham, the primary border gate and shortest route between the two capital cities of Islamabad and Kabul through the Khyber Pass, has become a focal point in this transition. Local Afghan communities dependent on free movement for daily wage labor have been affected by border closures and challenging administrative hurdles that have devastated their income and livelihoods. In Pakistan, local tribes have been displaced and disputes over land and rents have brought them into direct conflict with the central government. At the same time as Afghan governance systems were being contested by the Taliban leading to the eventual collapse of the Islamic Republic, the Pakistani state continues to formalize its territory, with the merger of the erstwhile Federally Administered Tribal Areas into Khyber Pakhtunkhwa.

Torkham shares similarities with the ancient port city of Makha in south-west Yemen, as trading hubs that have been wrought anew by modern conflicts and competing orders implemented by states and militants alike. Makha (Mocha) has a long history as a maritime garrisoned entrepot which commands the Bab-el-Mandab chokepoint between the Gulf of Aden and the Red Sea. It served this function in the Ottoman Empire from the 15th – 18th century where it monopolized the coffee (and slave) trade from Ethiopia and the Horn of Africa until the British shifted it to the new securitized port of Aden as they consolidated their dominance of the Red Sea and Gulf of Aden.

Makha continued to be a relatively marginalized part of the governate/province of Taiz in modern Yemen. But as a result of Yemen's most recent conflicts involving the UN-recognized government supported by the UAE and Saudi Arabia, and the Houthi opposition, its status has changed once again from a marginalized sea port dependent on fishing and smuggling back to a maritime garrison

outpost. This change forms part the UAE's de facto restructuring of the Red Sea and Gulf of Aden maritime space.

This re-ordering of Yemen's littoral security at the local level is militarily and not market driven. Yet its importance as a vital sea-lane to the UAE for supplying government-controlled areas brings the ancient port new prominence in Yemen's civil war. At the same time, it has forced informal traders and illegal smugglers to Yemen's southern coast where they continue to operate across the Red Sea and Gulf of Aden.

II. MARKETS, URBANIZATION AND PRECARIETY

Urban settlements in the borderlands have remained remote and relatively small in many of the regions studied by XCEPT. Indeed, urban growth, in particular the mega-cities that have emerged over the last five decades in the global South, is more often concentrated in the central heartland of countries. But that picture is changing. Some of the most rapid urban growth, often less planned and more chaotic, is also present in the peripheries and borderlands. This borderland urbanization is sometimes the result of changes in administrative controls, in addition to internal displacement and cross-border refugee flows. The new political economies that emerge can change longstanding political geographies almost overnight.

The civil wars that have swept the Middle East and North Africa region in the decade since the Arab Spring have fundamentally reordered state geographies, into de facto if not yet de jure war-time jurisdictions. The chapter on Sarmada shows how the decade of civil war in northern Syria, and the destruction of Aleppo, has transformed a small border town into a new urban and commercial hub.

Though Sarmada's ten-fold population increase is clearly partly due to the huge internal displacement caused by conflict, it is also driven by its role as a multi-polar gateway and economic hub between global and local markets. Sarmada assumed this role as a result of Damascus' loss of control to the north and the subsequent impact on the main longstanding commercial routes focused on Aleppo. Turkey has provided informal protection across its borders, encouraging an influx of human and financial resources. This included an influx of Islamist rebel groups, who were also attracted to the area and worked with friendly businesses to provide security and profit from cross-border trade.

The drive to provide humanitarian relief has also involved recognition of a temporary de facto order, despite the dominance of hardline Islamist groups (and the informal engagement with government held areas). But it is also clear that this informal and comparatively benign militarized-economic order is precarious should the balance of power change. And while the populations remain relatively secure, future shifts could expose those with the weakest claims to protection.

Changing political orders as a result of conflict can directly shape local markets and the power brokers that profit from them. In this way the long-term transformative impact of conflict in borderlands can advantage the few and oppress the many, long after violence has subsided. The short case study of the Northern Bahr el-Ghazal borderlands between South Sudan and Sudan highlights how conflict and militarized cross-border regimes have both reordered territorial space towards urban market centers and transformed livelihoods.

One of the front lines of Sudan's second civil war (1983-2005) took place at the internal frontier between north and south which also represented the expanding frontier of market-based relations. The previous kinship-based economies of exchange were disrupted and gender relations fundamentally changed. Even during wartime, 'peace' markets allowed commerce to continue in the borderland. These markets provided opportunities for a variety of economic activities controlled by armed men, including, by necessity, opportunities for women's enterprise outside of war-disrupted households and extended family.

Sudan's 2005 Comprehensive Peace Agreement (CPA) was followed by South Sudan's 2011 independence, which transformed and hardened the internal frontier between north and south into an international border. The CPA and South Sudan's independence promised a return to an ideal pre-war past, and also brought a physical return of communities and families displaced and scattered due to war.

The overall outcome was largely unaccountable and widely oppressive, serving the interests of an older, male military-economic elite. For many women, and women-headed households, the post-war Northern Bahr el-Ghazal borderlands are no less oppressive despite being at peace. The border itself acts a gendered barrier to women's autonomy and 'the old north' which, rather than being the source of oppression as it was during the civil war, now offers the opportunity for relative individual economic freedom.

III. CONFLICT AND THE MILITARIZATION OF ECONOMIES

Conflict transitions in border zones are shaped by global and regional economic interests. These trends are evident in the case study of Shwe Kokko, a new urban development in Myanmar's historically contested periphery adjoining Thailand.

Since the 1980s, Myanmar's military (known as the Tatmadaw) has maintained war against some rebel groups while making peace with factions of the same groups. The pacified factions have been transformed into government-aligned militia and given space to expand their administrative and economic activities. While these agreements allowed the government to extend indirect control over territories previously held by armed ethnic groups, many of these areas became semi-autonomous enclaves. Leaders of militia were allowed to pursue informal or illegal business interests and extort resources from local populations.

One example is the pro-government Kayin State Border Guard Force, a splinter group of the anti-government Karen National Union. The Border Guard Force (BGF) has developed a context-specific form of what is commonly understood in Myanmar as ceasefire capitalism, from its original cross-border smuggling and control of informal crossing points. However, the changing scale of the economies involved, including the impact of Chinese capital and claimed links to China's expansive 'Belt and Road' strategy for international connectivity, has allowed the BGF to start constructing a new development in the jungle, Shwe Kokko. Since 2017 the BGF has embarked on the Shwe Kokko 'new city' project, a 73,000 hectare casino and resort facility next to its headquarters on the Thai border, 16 kms north of one of the main Thai-Myanmar border crossings at Myawaddy / Mae Sot. The development is funded in part by the wealth from border smuggling and is being built largely by unregulated Chinese migrant laborers.

Conflict in Shwe Kokko mirrors developments in contested borderlands across the world, where security settlements between armed actors in areas far from centralized state order lend themselves to the spread of illegality and informality, and challenge the establishment of peaceful and prosperous conditions for local communities. Importantly, their existence is not the source of conflict, but the result of systemic violence that has sustained civil war for decades.

The case study of Maiwut, a South Sudan county town of 12,000 close to the frontier with Ethiopia, demonstrates different perspectives on the national conflict and peace process. Seen from the capital, Juba, the conflict is interpreted as the continuation of the civil war despite the national ceasefire. But local interpretation of what is at stake are different and diverse. These perspectives and interpretations reflect overlapping forms of (horizontal) territorial authority and competing (vertical) hierarchies of government and rebel leadership.

Maiwut's position near to the border with Ethiopia offers a range of 'different opportunity structures', which relate to local, transnational (cross-border), and international resources, and reflect how political

actors—including armed ones—seek leverage if not always control. Across the many overlapping narratives emerging from its complex environment is a common refrain, that “(conflict) always involves finance”.

Though the local conflict centered on Maiwut primarily plays out within South Sudan, it does on occasion spill over into Ethiopian territory and the federal regional state of Gambella. Whereas in South Sudan the conflict pits in-government forces against in-opposition, in Gambella it is interpreted as a communal conflict since the protagonists come from the same Nuer-speaking community. Incidentally, this makes it easier to deescalate and manage tensions. And whereas in the current South Sudanese context it is possible to leverage ethnic conflicts for local and national gain, on the Ethiopian side of the border there are not the same incentives. However, the spread of the Tigray conflict into other areas of Ethiopia could change those calculations, and change the borderland context once more.

IV. GENERAL IMPLICATIONS

Border towns, and the markets and trade activity they attract, remain vital for understanding the informality and fragility that persists at conflict-affected borders across Africa, the Middle East, and Asia. Viewing these sites solely as havens of criminality, lawlessness, and violence obscures the delicate local politics that sustain economic activity. Both legal and illicit trade in border towns support local communities while also connecting border areas to downstream state capitals and regional hubs.

It is impossible to properly understand local dynamics from afar. Viewed from the state capital, too often border zones are seen as untamed peripheries lacking formal markets, security, and bureaucracy. Observed from Europe and North America, the characterization of borderlands becomes still more abstract and obtuse: generic hinterlands of drug production, money laundering, conflict, terrorism, and barbarity, a cluster of tropes that blur much of the local context, deflect attention from root causes, and obscure the precarious lived realities of millions of people.

This report demonstrates clearly that these are not ‘ungoverned’ spaces, but areas where the contestation between local dynamics and state bureaucracy often leads to hybrid political systems that regulate governance in border zones. Regional and global market forces lead to elite capture of wealth and extractive economies that are exploitative of local populations. In this way, border zones are connected to national, regional, and global systems that shape local conditions including patterns of conflict. Illegality—such as corruption, crime, informal trade, and smuggling—and violence in the form of clashes among state and nonstate armed groups, and against women and minorities, is a symptom of the structural drivers that enable these activities to flourish. Many of the fragile borders described in this report owe their legacy to dynamics established during the colonial period and have been wrought anew by modern civil conflicts, and by globalization more broadly.

How can development and foreign policy practitioners overcome this astigmatic view of conflict-affected borders? Increased consultation between states on both sides of the border (or embassies in neighboring capitals) can go some way to improving policy coordination, but rarely leads to a better understanding of the environment “in the middle”.

Investments that strengthen local voices and that promote local knowledge are vital to begin unpacking the roots of fragile and conflict-affected borders and the challenges faced by local populations. Empirical, qualitative information remains necessary for understanding conflict systems, particularly for border areas where indigenous conflict drivers combine with those at national and regional levels. Quantitative data, where it is available, can also be useful, while visual data including increasingly accessible satellite images can be valuable when harnessed to local interpretation.

Border Towns, Markets and Conflict

The XCEPT project seeks to apply these approaches while investing heavily in partnerships with local researchers, providing capacity-building opportunities where appropriate, and promoting local voices and analysis to international policymakers. More can be done to mainstream these approaches, not just through peacebuilding work but also across governance, development, and humanitarian initiatives. For international donors, careful support to domestic partners and regional or international institutions can be provided to build wider capacity for locally embedded research and analysis, and perspectives of borderland communities should be properly integrated in national programs.

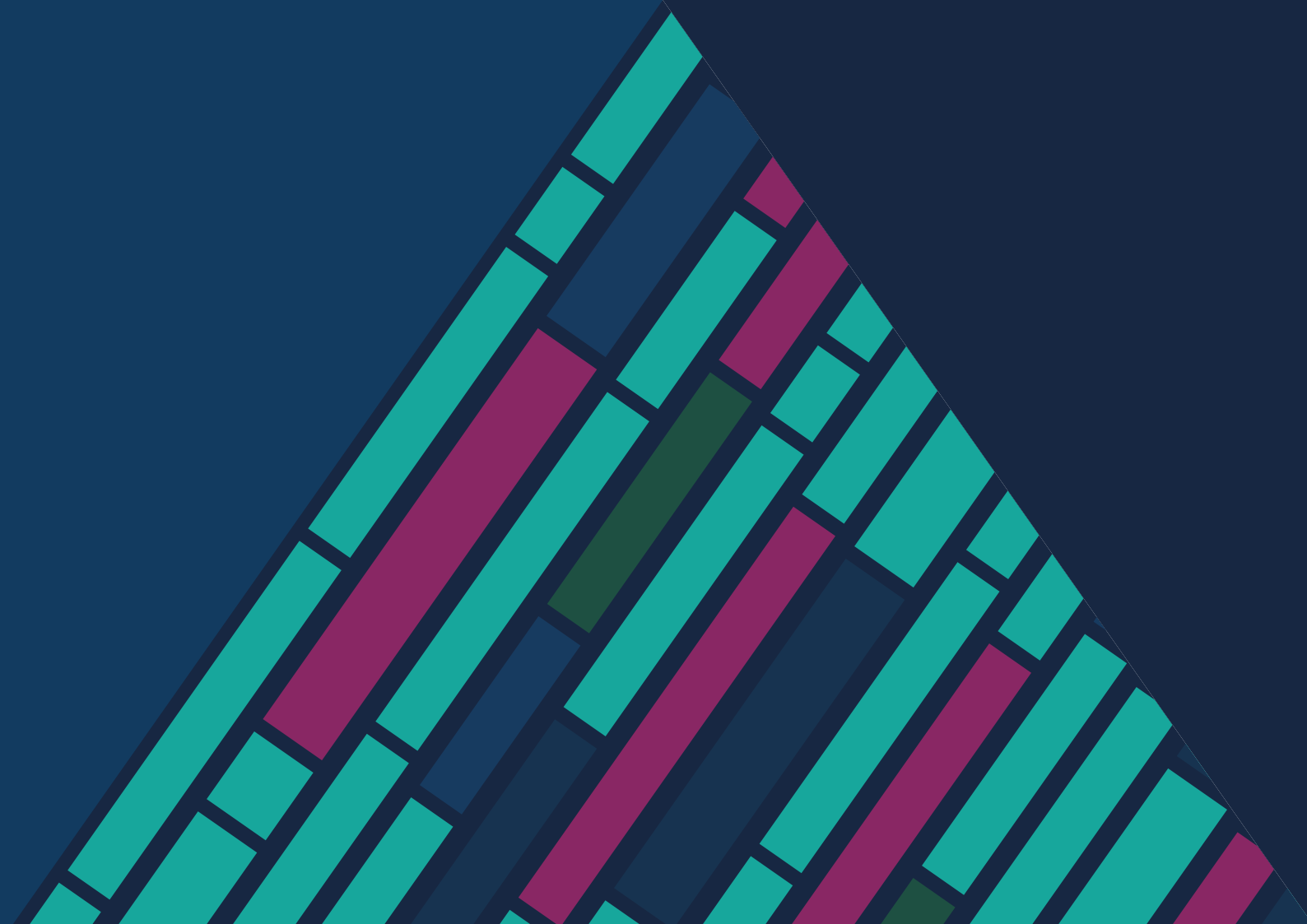
This report also highlights that state institutions and development projects often exacerbate conflict conditions. It is important that local practices are not undermined by national policies, which are often the source of local grievances and can increase violence and instability. States should consider how they can strengthen peaceful governance and economic activities that have local legitimacy, while pursuing locally led programs to increase inclusivity, to manage and resolve conflicts, and to protect vulnerable groups including women and minorities. Locally owned development and peacebuilding activities are necessary to manage the effects of violence while undertaking the generational task of resolving long-term conflict.

Beyond locally grounded activities and investment in context specific knowledge, development partners and donors can work together to build greater thematic knowledge around common issues experienced at fragile borders. This report focuses primarily on markets and economic orders, but more analysis can be done on cross-cutting issues that include the impacts of environmental degradation and climate change, migration and displacement, and the effects of border conflicts on women and marginalized minorities.

However, global challenges will still require local solutions specific to the individual contexts of fragile border zones. Thematic expertise at the regional level can combine with locally embedded analysis to inform more effective interventions and programs to address global priorities. In this way, better partnerships can be formed that empower locally led peacebuilding while drawing on regional and thematic expertise and resources.

PART I —

**STATE SECURITIZATION
AND TERRITORIAL
CONTROL**





TORKHAM, AFGHANISTAN–PAKISTAN BORDER

SECURITIZATION, LOCAL LIVELIHOODS AND CROSS-BORDER TRADE

Azeema Cheema

BACKGROUND

Established in 1893 as a product of British colonial rule, the Durand Line today divides two countries whose official positions differ on its status as an international border. Pakistan has regarded the line as a de facto and de jure border since 1947, while successive regimes in Afghanistan have not formally recognized it as an international border.¹ This means that the border and borderlands remain subject to two sets of principles and consequent rules that define and regulate movement of people and goods, with the positions and interests of the two states often being in direct conflict with each other.² These are also fluid rules that change frequently, and are not uniformly applied along the 2,670 km long dividing line between the two countries.

These variations in policy and practice are most acutely felt at the collection of formal and informal crossings that dot the Afghanistan–Pakistan border. Torkham is the busiest of these border crossings, connecting Afghanistan's Nangarhar province with the Khyber Agency of Khyber Pakhtunkhwa, and the most direct route between the capitals of Kabul and Islamabad. Centered on the Khyber Pass, Torkham is a vital gateway connecting south and central Asia and beyond through the Hindu Kush as part of the Silk Road. It remains a site for the movement of both people and trade and has also been the pilot site for implementation of border control and management policies by the government of Pakistan.

Historically, the border has functioned as a region rather than a dividing line. The region has evolved into a transitory area that contains actors from diverse backgrounds, such as refugees, traders, nomadic communities, settled tribal communities, laborers, militants, and security agencies.³ Since the mid-20th century the border has undergone a few functional transformations as a soft border to a hard

¹ Vinay Kaura, 'The Durand Line: A British Legacy Plaguing Afghan-Pakistani Relations,' *MEI@75*, 27 June 2017.

² Azeema Cheema et al. (2021) *Transitions in the Borderlands: Cross-border Mobility, Communities and Market Systems Along Pakistan's Frontier with Afghanistan*. Verso Consulting: Islamabad.

³ G. M. Arif, Mohammad Irfan and S. I. Cohen, 'Population Mobility Across the Pakistani Border, Fifty Years Experience,' *The Pakistan Development Review*, Vol. 36, No. 4, Papers and Proceedings PART II Thirteenth Annual General Meeting and Conference of the Pakistan Society of Development Economists Islamabad, December 15-17, 1997 (Winter 1997), pp. 989–1009.

border and back again, but the post 9/11 US and NATO occupation of Afghanistan (2001–2021) triggered a series of events that shaped the context of the current border regime. The notoriously porous border was the source of much discord between Pakistan and the US-NATO alliance due to the movement of militants in the region. Tensions peaked in the November 2011 ‘Salala incident’⁴—a border skirmish in which the US-led NATO forces attacked Pakistan Army checkpoints—culminating in a serious and protracted closure of NATO supply lines to Afghanistan.

Over the last five years Pakistan has implemented diverse plans to formalize the border with potentially positive as well as adverse impacts. A new regime of policies in effect include fencing the entire border⁵ and formalizing border crossings with new documentation and visa requirements for Afghans, establishing security and screening systems, and developing mechanisms and rules for trade and travel. On the one hand, border fencing and momentum in bilateral agreements to ease trade have had positive impacts on reducing smuggling and increasing tax revenues. On the other hand, some measures, such as the initiative to repatriate Afghan refugees and Afghan citizens—many long-term residents of Pakistan—to their ‘homes’ in Afghanistan ravaged by decades of war and conflict, have been controversial. The regulation of the border and its impact on transit and travel processes are driven by a policy lens that is explicitly and highly securitized.

Another significant change is the end of ‘free movement’ (known as *rahdari*) across the border for borderland residents. Until 2016, Afghans from border tribes could cross into Pakistan without official documentation. Insurgents and smugglers moved back and forth with ease. The above-mentioned policy changes aim to make informal cross-border trade and movement more difficult, shut down minor border crossings, and instead redirect people and goods through official, secure gateways such as the Torkham gate. In official crossings such as Torkham, measures were taken to make trade and movement easier (for example by opening Torkham 24/7 instead of 8 hours per day). These changes have a significant impact on the lifestyle and livelihoods of border residents who have long relied on crossing the border freely. In border districts that have been fenced, or where traditional border crossings were closed, Afghans complain about declining livelihood opportunities, rising commodity prices and lost access to better education and healthcare facilities on the Pakistan side of the border.

This chapter focuses on changes in border policy implemented by Pakistani authorities since 2017, and their impacts on local livelihoods, trade, and security. It centers its focus on the areas surrounding Torkham, while also drawing from important developments in other major and minor border crossing sites such as Chaman/Spin Boldak. The chapter provides a snapshot of the border region in the final years of the Islamic Republic of Afghanistan and NATO troop presence and immediately following the 2021 Taliban takeover. These events have exacerbated all pre-existing practical and policy challenges to the movement of goods and people between Afghanistan and Pakistan, to the detriment of a fragile economy and social cohesion. This chapter focuses on the political economy of border crossings in crisis, particularly Torkham, to illustrate the contrast along the border of “too much state” (on the Pakistani side) and “not enough state” (on the Afghan side).

⁴ Iftikhar Firdous, ‘24 soldiers killed in NATO attack on Pakistan check post,’ *Tribune*, 26 November 2011.

⁵ Tahir Ali Khan, ‘Fencing the Pak-Afghan border,’ *The News on Sunday*, 7 February 2021.



Data source: Base map, OpenStreetMap; Relief, Natural Earth

© MAPgrafix 2022

Figure I: Main border crossing between Afghanistan and Pakistan

WHERE STATE COLLAPSE MEETS STATE CAPTURE

The government of Pakistan is engaged in a process of formalizing the border with Afghanistan through a comprehensive set of policies driven not only by a valid security imperative but also an assertion of the state's writ. The first of these measures is the installation of formal border control terminals with a new management authority. The state agency responsible for the construction and management of border terminals, the National Logistics Cell (NLC), had previously also been responsible for negotiating the terms of the land lease agreement with local border communities on the Pakistani side who own the land. Local communities have since challenged the NLC through open protest and legal action alleging the terms of the lease have been repeatedly violated.

While the border communities were initially willing signatories to the agreement with the NLC, as of late 2021 the payment of dues (both rental and purchase of land) has been outstanding for more than two years. In addition, local communities allege concerns over job losses in border industries due to NLC policies, which have significantly shifted the landscape: including physically shifting *addas* (loading docks) and changing terms and permissions of employment in the *addas*. The arbitrary nature of these agreements remains a contentious issue fueling not just local grievance against the state, but also intracommunity conflict induced by a crisis of representation. The NLC's presence has visibly expanded

the writ and control of the state over the local economy and tribal resources, leading to a perception of state capture within borderland communities where all grievances are essentially state-facing.

The second policy shift affecting cross-border mobility has been the changes to visa requirements for Afghans entering Pakistan. In June 2016, Pakistan introduced new border controls at Torkham, requiring incoming Afghans to have valid visas or *rahdari* papers (allowing local tribes limited movement). The policy initially left hundreds of people and cargo-filled vehicles stranded at the site. For many Afghans, crossing the border was a regular, sometimes daily, activity, and visas were expensive and cumbersome. Afghanistan expressed displeasure at what it saw as Pakistan's unilateral policy based on political rather than security concerns.⁶ The International Organization for Migration (IOM) estimates that before these policies, over 20,000 people crossed the border daily, and this was reduced to 2,000–2,500 Afghans after border controls.⁷ Others estimate 10,000–15,000 as the average daily crossings before the policy.⁸

The third policy change relates to governance changes in Pakistan's northwestern border areas. Since 2018 Pakistan has embarked on a governance reform initiative through the merger of the ex-FATA (Federally Administered Tribal Areas) region into the province of Khyber Pakhtunkhwa. The intent of the merger has been to improve the citizenship and development status of affected populations on the Pakistani side of the Durand Line. However, it has also led to an erosion of informality through new rules and regulations that have resulted in a loss of privileges and opportunities for the local population before they have experienced any benefits to their rights and livelihoods.

The final piece in the border regime matrix is Pakistan's fencing of the entire Afghanistan–Pakistan border. The border fence is the outcome of a securitization endeavor by the Pakistani state, in the context of protracted militancy and terrorism in the region. More than any other policy, the construction of the border fence has had the most consequential impact on dividing contiguous border communities. The fencing began in March 2017 and was expected to be completed by April 2021. Between the two countries, the fence is a highly contentious political issue and opposition to the border fence is consistent across all governments in Afghanistan, including the Taliban. At both major and minor border crossing points, contiguous tribal communities have been separated; and coupled with restrictions on easement travel, border tribes are cut off from family, community, and business interests. Like other crossings—but with more severe implications—Torkham is often closed and re-opened due to political or security issues. In May 2016, Torkham was shut down briefly after Afghan border forces had prevented Pakistan's fencing of the border.⁹ Similarly, in a populist move, the Taliban closed the southern Spin Boldak border crossing immediately after taking control of the area in mid-August 2021 to protest the fence and Pakistan's visa policies for Afghans.¹⁰

On the Pakistan side, the opinion of the fence is more nuanced—most borderland residents opposed the construction of the fence; however, some also expressed an understanding for the government's justification of the fence as a necessary measure for bilateral security and prevention of large-scale refugee spillover into Pakistan. The collapse of the Afghanistan state and takeover of the Taliban has led to increased support for the fence within Pakistan although it remains a volatile issue in public opinion on both sides of the border as it relates to national and ethno-national identity.

⁶ Roshni Kapur, 'Pakistan Tightens Security at Key Afghan Border Crossing,' *The Diplomat*, 8 June 2016.

⁷ International Organization for Migration, *Assessment of Incoming Afghan Nationals (Torkham Border)*, June 2017.

⁸ Ilyas M Khan, 'Torkham border crossing: Pakistan curbs Afghan entry,' *BBC*, 2 June 2016.

⁹ 'Pakistan Army hands over Angoor Adda border crossing facility to Afghan forces,' *Tribune*, 21 May 2016.

¹⁰ <https://www.arabnews.pk/node/1907061/pakistan>.

WINNERS AND LOSERS IN THE MARKET SYSTEM

From a livelihoods perspective, the impact of border disruptions differs for three key actors in the market system: (a) traders from across Afghanistan and Pakistan; (b) laborers (both local residents and migrant individuals working for a daily wage or as an employee); and (c) businesses and retailers in local and downstream markets. While all stakeholders are negatively affected by the current border regime, continuous disruption over the past seven years has already rendered borderland market systems extremely fragile or even defunct.

Traders have no doubt suffered losses in trade volumes; yet in Pakistan, many report diversifying into other businesses such as real estate or shifting their base to larger and more profitable downstream markets in Khyber Pakhtunkhwa or Punjab provinces. Under the government of President Ashraf Ghani, Afghan traders expanded their prospects in bilateral trade with Central Asian markets. Pakistani traders also seek to benefit from these prospects under a new government strategy pursuing improved regional economic connectivity.¹¹ For these reasons, even at the apex of ongoing political hostilities between Afghanistan and Pakistan, the policy environment vis-à-vis bilateral and transit trade has remained permissive and productive.

The policy interests of traders differ from those of retailers and laborers in that the latter two are much more reliant on the cross-border movement of people and on the local market systems. Further, these varying interests are disproportionately represented in policy negotiations between the respective governments of Afghanistan and Pakistan. For traders, the main grievances relate to customs duties, and the border management processes at the new border terminals run by the NLC. Policy measures adopted so far respond almost exclusively to the demands of traders, who form powerful lobbies on both sides. For instance, in response to demands from Afghan fruit and vegetable traders to improve processing times at Torkham, the Pakistani government increased operations at the border crossing from 12 hours to 24 hours per day in September 2019.¹² A resounding testament to the power of traders as respected brokers in the border economy is the fact that on the day the Taliban took over Muḥmand Dara district in Afghanistan, the government of Pakistan initially closed Torkham, only to open it hours later to allow perishable cargo through.¹³ The Afghan trader community was able to quickly broker the agreement between the Taliban representatives and the local district administration in Pakistan despite intense turmoil in Afghanistan.¹⁴

Conversely, the combination of visa requirements, new regulations at the border control points (BCPs), and the fence has caused a significant loss of employment for the most poor and vulnerable groups in the borderland milieu, in addition to disrupting the supply chains for local market systems. Market systems based on a thriving informal trade have been the first casualty. Local businesses in the border *bazaars* (markets) relied on the services of couriers ferrying small quantities of goods and cash to conduct previously unregulated cross-border trade. The restriction of free movement across the border has not only deprived vulnerable wage laborers and transporters of their livelihood, but also triggered a disruptive domino effect on the supply chains of markets that serve local communities.

Since the installation of the new border terminal at Torkham, passenger vehicles and wheelbarrows have not been allowed to enter from either side with any types of goods or material. Pakistani shopkeepers who previously could easily travel to warehouses on the Afghan side to place direct orders can no longer do so. A transport and freight sector worker estimated that a local labor force of 2,500 goods porters and loaders from Landi Kotal and nearly 500 private taxi drivers transporting passengers

¹¹ Bruce Pannier, 'Despite Taliban Advances, Central Asia Eyes Trade Ties With South Asia,' *Radio Free Europe*, 22 July 2021.

¹² 'Pakistan, Afghanistan inaugurate 24/7 Torkham border crossing,' *Aljazeera*, 18 September 2019.

¹³ Ibrahim Shinwari, 'Torkham border reopens for trade after brief closure,' *Dawn*, 16 August 2021.

¹⁴ Key informant interview – Apple trader from Jalalabad.

as well as those in the local taxi system have been rendered unemployed. Estimates across narratives vary and as of late 2021 no formal assessment has taken place.¹⁵

Therefore, retailers and laborers whose livelihoods depend on the carriage of small loads across the border—or those who work for a daily wage who need to cross the border for short-term employment and health care—are the most vulnerable actors in the local border economy. On the Pakistani side, border *bazaars*¹⁶ situated in each of the three subdistricts of Khyber district have formed the heart of the local economy for generations. This local economy is fed by a steady stream of trader and consumer traffic flowing into Pakistan from cities like Kabul, Ghazni, and Jalalabad through the Torkham border. Not only border *bazaars* but also retailers in major downstream markets rely on an Afghan consumer base who make special shopping trips to Pakistan and buy in large quantities.

However, the rapid changes in the borderlands have caused a major shift in local market systems. Operation Zarb-e-Azb¹⁷, a military operation conducted from 2014–2016 by the Pakistan armed forces against militants, was highly disruptive to the livelihoods of local merchants. Markets such as the one at Bara, Pakistan, downstream from Torkham, had been an inclusive force for the local community by serving as a common access point for most sections of society.¹⁸ However, the Bara *bazaar* has not recovered after being destroyed in the military operation. Complaints from Bara locals also included descriptions of disruption to small industry and factory employment as well. The primary fear was that “the population of Bara has generally become marginalized as trade networks and privileged businesses are migrating” further downstream.¹⁹

A similar phenomenon persists across local market systems in other districts, such as the Miranshah *bazaar* in North Waziristan district, destroyed by the events of Operation Zarb-e-Azb. Since the end of the military operation, smaller local markets, such as Angoor Adda *bazaar* and Wana *bazaar* in South Waziristan district have been unable to recover due to a lack of a steady supply of retail goods from Afghanistan. Locals attribute the lack of growth to frequent unannounced border closures.

At the same time, attempts to reconstruct markets destroyed during Operation Zarb-e-Azb have been controversial endeavors in themselves. The departure of old established businesses from the border *bazaars* and weakened trans-border trade networks are shaping new market associations and leaving old conflicts unresolved. Market associations no longer represent the same ethnic groups as before and have experienced a decline in legitimacy due to increased competition from outsiders. Local market actors lament the changing landscape with claims that up to 30 percent of current shopkeepers in the border markets are outsiders who have recently emerged.²⁰

A proposal²¹ by the Pakistan government to build new border *bazaars* (conceived as subsistence markets) with assistance from international donors was presented as an inclusive solution to the crisis in the local border economy. However, prior to the Taliban advance on Kabul the project was reportedly shelved, as it did not have sufficient support among Afghan traders, who would like to prioritize access to downstream markets in Pakistan.²²

¹⁵ Cheema, Azeema et al. *Ibid.*

¹⁶ Marketplace (refers to large commercial centres as well as smaller market places).

¹⁷ A major Pakistan military offensive from 2014 to 2016 against insurgents in the former Federally Administered Tribal Areas (FATA), now known as the Newly Merged Districts (NMDs) of Khyber Pakhtunkhwa province.

¹⁸ Verso Consulting (2019) ‘Context, Grievances, and Complaint Channels in the Newly Merged Districts’ for the UNRC FCDO-funded Khyber Pakhtunkhwa Merged Districts Support Programme. [Unpublished].

¹⁹ *Ibid.*

²⁰ Key informant interview – Shinwari trader from Landi Kotal.

²¹ Umer Faruq, ‘Border Bazars to beckon new hope for Pak-Afghan trade,’ *Tribune*, 2 April 2021.

²² Key informant interview – Pakistan government official.

Given the current securitized environment around the Khyber Pakhtunkhwa border with Afghanistan, it is unlikely that the project will soon be revived. Such a project would provide a much-needed corrective intervention to the local economy, in spite of common challenges like a crisis of ownership and settlement that excludes some of the more vulnerable market actors. Yet, to allow limited movement of people across the Durand Line, the government of Pakistan will require a high degree of confidence in the Taliban's ability to control the movement of militants and smuggled arms.²³

COSTS OF CITIZENSHIP

Communities in the borderlands have deep ethno-linguistic, tribal, social, and business ties buoyed by a culture of free movement across the border; this culture of free movement has been the first casualty of the border securitization process. Potential future benefits of the new social contract in Pakistan (via governance reform) are not yet evident to local tribal communities, whose first concern is a loss of 'easement rights'. Ending free movement, previously allowed through the *rahdari*²⁴ system, is viewed by borderland residents as divisive to the ethnic 'Pashtun society' and a loss of 'rights', while policymakers frame it as a revocation of 'a much misused privilege.' This issue will remain a focal point for collective grievance in the border region, but a full restoration of the *rahdari* system is unlikely in the near future.²⁵

Cross-border traffic at all crossings moves in both directions, even in times of acute crisis, though patterns and volumes of travel have evolved over time due to periodic political, economic, and security changes. In addition to social and business reasons for crossing the border, Afghans seeking long-term and emergency healthcare in Pakistan are a large proportion of travelers through Torkham. In recent years, the primary push factors from Afghanistan have been economic, while from Pakistan it is either business travel or a forced repatriation of Afghan refugees. A 2019 survey by The Asia Foundation of Afghans found that 69 percent of those living in the border regions of Torkham and Chaman reported crossing the border at least once in the past year²⁶ and that 71 percent indicated that "all or a large part of the business activities in their community depend on cross-border trade." In 2020, a remote survey of approximately 4,300 phone numbers registered to Khyber district in Pakistan found that over 37 percent of respondents described themselves as having family, friends, or business links in Afghanistan.²⁷

Economic vulnerability among borderland populations was already high when the COVID-19 pandemic led to a series of protracted border closures at all major border crossings starting in March 2020. A phone-based survey conducted in April 2020 in Pakistan—roughly three weeks into the nationwide lockdown—found an alarming degree of financial insolvency in the Torkham area as 78 percent of Khyber district respondents reported needing to borrow money to meet basic household expenses since the lockdown, and 67 percent also reported having been approached for a loan.²⁸

In these difficult economic circumstances, the Pakistani government's policies have resulted in the costs of compliance being transferred to those most vulnerable, particularly Afghans. Citizens of both countries, caught in this transition from informality to formality, are experiencing an increase in costs of passage (where the possibility of passage exists) for: i) visas, ii) carriage of consumer and household goods that are integral to quality of life, iii) education and health, iv) small business and employment

²³ 'Arms recovered from vehicle at Torkham,' *Dawn*, 28 August 2021.

²⁴ Permit (card or token) allowing a person to travel across the border without a visa/passport; typically issued to borderland communities in recognition of easement rights.

²⁵ Cheema, Azeema et al. *Ibid.*

²⁶ The Asia Foundation (2019), *Trade and Livelihoods in the Afghanistan-Pakistan Borderlands*.

²⁷ Unpublished Verso Consulting survey on the impact of COVID in the borderlands. 2020.

²⁸ *Ibid.*

opportunities, v) maintaining social or familial ties, and vi) maintaining ownership of local assets such as land and forests divided by the fence. Many view these costs as discriminatory. Among special status groups, such as border tribes on the Pakistani side, most view these costs as a surrender of 'rights' to identity, livelihoods, and community; the privileges of full citizenship rendered possible by the merger of the borderlands have not yet materialized for them.

For Afghan citizens there are significant costs for obtaining valid identification or proof of citizenship from the Afghan Government and also the costs of acquiring permission to travel from the Pakistani state. These costs for compliance fall entirely on often under-resourced citizens. For an Afghan adult to obtain a passport, the cost lies between \$78–130.²⁹ The cost of obtaining a Pakistani visa reportedly ranges from \$200–300,³⁰ even though the official fee charged by the government of Pakistan for a “family visit” is \$8 per applicant, and a business visa costs \$100.³¹ The variation in official and actual costs is explained by a combination of miscellaneous travel-related costs and informal fees charged by brokers in a rent-seeking structure that has become more aggressive at the border control points as the visa requirements have formalized.³²

A central issue is that the Pakistani-imposed rules for passage require a response from the government of Afghanistan, if Afghan citizens are to be processed legally. The fencing, in particular, makes the prospect of illegal border crossing extremely dangerous. Even prior to the fall of Kabul on 15 August 2021, the government of Afghanistan's capacity to respond efficiently and cost-effectively to applications for *Tazkiras*³³ and passports was low. In the early months following the Taliban takeover it remained unclear what shape the Afghan state will take, and the extent to which the Islamic Emirate of Afghanistan will restrict travelers. Eventually a sustained formality of the border will require the Afghan state to develop systems that citizens can rely on to facilitate their compliance with migration requirements.

In the initial days following the Taliban's takeover there had been an unofficial practice in place at selected border crossings (particularly Chaman in Balochistan, Angoor Adda in South Waziristan, and Ghulam Khan in North Waziristan) to allow Afghan citizens with valid *Tazkiras* entry to Pakistan, on the condition that the *Tazkiras* are domiciled to a border district.³⁴ As of late 2021 no such exception had been made at Torkham. This softening should not be seen as a rollback of the visa regime, but a temporary and unofficial crisis management measure.

CONCLUSION

This chapter supports an established thesis—that cross-border mobility is integral to maintaining an economic and social system at the border, affecting people's lives, livelihoods, relationships, and identities. Individuals and communities in border areas need to take center stage in any policy discussions, and trade decisions also need to consider their unique circumstances. Torkham provides an insightful case study of this transition from informality to formality (and back again) and the impact on stability, particularly in times of crisis.

²⁹ Zinab Attai and Nicholas Malouta (2020) *On the Edge and in Between: Community and Policy Responses to Shocks in the Borderland Regions of Afghanistan – A Qualitative Research Study*. ACSOR: Kabul, Washington DC.

³⁰ *Ibid.*

³¹ Government of Pakistan, *Ministry of Interior*.

³² In an interview, a member of the Gorbaz Khel community of North Waziristan alleged his family would “pay money ranging from 2,000 to 5,000 rupees [between \$11–30] to local agents for getting a token to travel up to Wana” (in South Waziristan).

³³ Citizen Identification document issued by the Islamic Republic of Afghanistan.

³⁴ Key informant interview – Pakistani journalist.

Overall, the combined effect of Pakistan's border policies is more significant in restricting the movement of people, as compared with goods. The complex security situation in the region has already had a significant impact on the economic well-being of the border population—the military insurgency in erstwhile FATA, internal displacement, and continuing mistrust towards the Afghan population has reduced transnational mobility. Now, new factors including state collapse in Afghanistan; the universal visa regime; new management and regulation at border crossings for trade and travel; the erosion of the *rahdari* system that allowed free movement for borderland communities; and the border fence plugging frequently used informal routes, are taking their toll on the livelihoods of borderland residents and on the social cohesion of their communities. In addition, a refugee and economic migration crisis is ongoing in early 2022 where the border regime becomes central to the welfare and safety of Afghans.

The regime change in Afghanistan triggered an outflux of Afghans into Pakistan; however, the main long-term crisis in the borderlands will remain centered on economic drivers. In the short term, prevention of a large-scale humanitarian catastrophe is contingent on the international community's response to Afghanistan's economic crisis and the Taliban's approach to inclusive governance. On the other hand, medium to long-term course correction requires the application of a more people-centered policy approach by the government of Pakistan in collaboration with the de facto government in Afghanistan.

The burden is heavy for the Pakistani Government, yet practical solutions could be sought in three areas: a) securing safe passage for vulnerable Afghans and keeping borders open for economic activity and humanitarian aid; b) the arbitration of conflicts between resident border communities and the NLC with a resolution that not only settles the terms of land use but also clearly commits to employment for local communities; and c) a rapid assessment of how to streamline and scale up the processing of travelers through Torkham and other border control points, with an approval of exceptional terms for emergency travel. Further, engagement should be focused on a few policies responsive to immediate needs of local citizens, with the support of political representatives. Specifically, a sustainable peaceful resolution will not exist until a settlement between the state and the people addresses losses of collective community assets due to the dividing force of the border fence. It is critical that citizen demands are addressed proactively as a buffer against populist mobilization, in a region with a history of armed conflict and where the threat of extremist violence remains.



MAKHA, YEMEN–MARITIME BORDER

THE MILITARIZATION OF COASTAL AREAS

Ahmed Nagi

As Yemen's conflict grinds on, parts of the country have undergone demographic transformations whose impact will endure long after the war's end. One such region is the western coastal area of Ta'iz Governorate along the Red Sea. The region's two main districts are Makha (Mocha) and Dubab. There, the United Arab Emirates (UAE), a key partner of the Saudi-led coalition, has replaced displaced populations with new communities made up of combatants loyal to the coalition and their families. Their aim is to establish settlements that prevent Ansar Allah, better known as the Houthis from taking control of strategic areas near the Bab Al-Mandab Strait.

BACKGROUND

Makha has long been a gateway to the Horn of Africa, given the short distance to Djibouti and Somalia. The area of the Makha and Dubab districts is around 3,200 square kms and the population before the war was estimated at around 100,000. Most locals in Makha live around the town's market, close to the historic port from where Mocha coffee had been exported for centuries. Others are spread along the coast, especially near Bab al-Mandab. The western coast was also home to smuggling networks due to its proximity to shipping lanes and easy access to the interior. Some families living in these areas have social and economic ties with inhabitants across the Red Sea.

Though Makha is administratively a part of Ta'iz Governorate, before the Yemeni conflict it was largely autonomous from the governorate's authority. This created a relatively isolated and marginalized region, a situation exacerbated by the neglect of the Hodeida Port to the north, which could have generated economic activity in coastal areas. The current administration of President Abd Rabbu Mansour Hadi has failed to alter this situation. The local authorities in Ta'iz have sought to place the Makha port under their own supervision so that they can develop it, but those demands have gone nowhere. After the military takeover by the Houthis in September 2014, the western coastal areas and Makha were further isolated from the inland sections of Ta'iz Governorate. This persisted even after the Houthis were expelled from the area in 2017.

Prior to the conflict, Makha was the preferred destination for traditional trade between the Yemeni and African coasts. Many traders located in Djibouti and Somalia, including Yemenis, would supply themselves through small boats from Makha port. In addition, traders from the Horn of Africa would supply large quantities of livestock to Yemen, especially during religious festivals. Coastal populations

Border Towns, Markets and Conflict

from Yemen, Somalia, and Djibouti also cooperated over fishing activities, allowing fishermen from the other countries to sell in their markets. However, such activities were relatively limited in volume and saw little expansion.

In 2009, Yemen and Djibouti announced a project to build a bridge between their countries, through Mayyun Island. The project also aimed to set up towns on both coasts and invest in major projects that would have employed more than 1 million people on both sides.¹ However, the project never came to fruition because of tensions in Yemen starting in 2011, followed by the start of the current war.

MILITARIZATION OF COASTAL AREAS

Today, conflict dynamics along the western coast have affected traditional markets in the area. Because several coastal areas have been declared restricted military zones, most fishermen are unable to work as they once did. Another challenge they face is naval mines, frequently placed by the Houthis. The collapse of fishing has had a major impact on local communities, as this had been their main source of income. Indeed, this was a major factor for why locals began moving to other areas, including fishermen and livestock traders. In parallel, the presence of military forces that earned generous salaries from the UAE increased consumption in the area, generating economic activity tied to the war economy.

The fighting displaced more than a third of the population. According to the United Nations, the number of people who fled the Makha District alone was around 35,000.² Most are concentrated today in the Shamayatayn District of Ta'iz Governorate, bordering Makha. The militarization of coastal areas has had a more profound impact in preventing the return of the displaced.

At the end of 2017, a conflict between the Houthis and Ali Abdullah Saleh, the former president of Yemen who had been allied with the Houthis, led to Saleh's killing. Many of those close to Saleh subsequently changed sides by joining the coalition camp. The most prominent of these was Tareq Mohammed Abdullah Saleh, the former president's nephew and commander of his special forces. Saleh joined the armed formations operating under the auspices of the UAE.

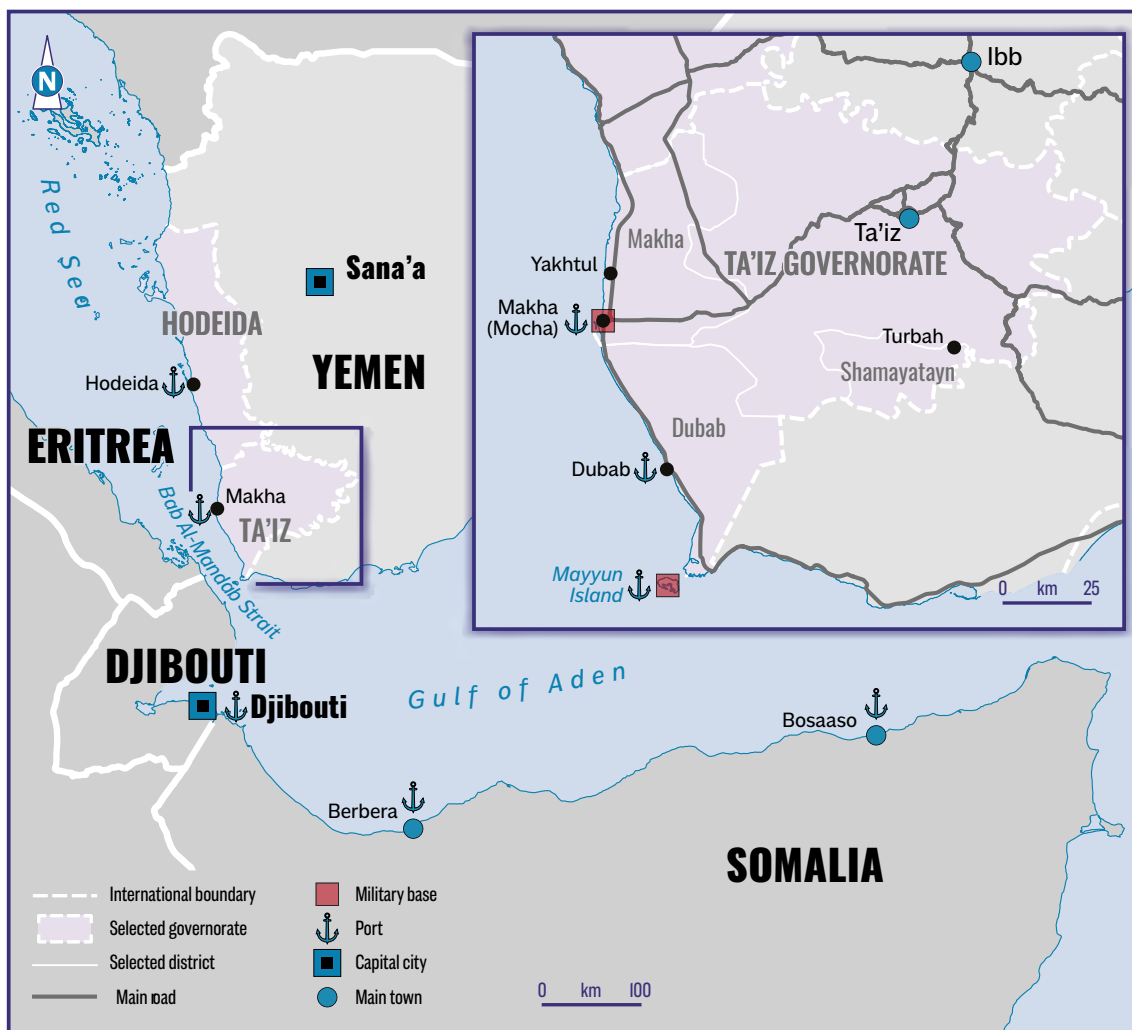
In April 2018, Tareq Saleh moved to the western coast and formed the National Resistance, which includes Saleh's own personal force known as the Guardians of the Republic. The National Resistance received logistical and financial support and military training from the UAE. Along with local resistance forces and the Giants Brigade of the Southern Movement, it launched military operations to liberate other areas along the Red Sea from the Houthis, up to Hodeida Governorate. These forces reached Hodeida before the fighting was stopped and the warring factions came to an agreement in Stockholm in December 2018.

Since then, Makha has become a military stronghold. It is the headquarters of the Joint Forces Command, which unites military groups present on the coast—the Giants Brigade, the Tuhami Resistance made up of locals opposed to the Houthis, and the Guardians of the Republic. Makha has also attracted the families of fighters who had left areas under Houthi control. There are no official statistics for the number of Guardians of the Republic combatants, but some have estimated the figure at 32,000 fighters.³

¹ Ghamdan Al-Yousifi, 'The Yemen-Djibouti Bridge is 28 kilometers long, cost 15 billion dollars, and takes 15 years, one of the wonders of the modern world,' *Okaz*, 19 August 2008.

² Shabia Mantoo, 'Displaced Yemenis face dire conditions after latest violence,' UNHCR, 10 March 2017.

³ 'Parallel militaries: Anatomy of the armed forces fighting Yemen's war,' *Almasdar*, 3 January 2021.



Base map data source: OpenStreetMap

© MAPgrafix 2022

Figure 2: Makha city, Yemen and areas under selected governorate

In January 2020, Tareq Saleh announced that a large residential area was to be built for Guardians of the Republic soldiers, with the UAE's backing. The quarter, named December 2 City (commemorating the day former president Saleh severed his alliance with the Houthis), is located in the Yakhtul area of Makha District, and has 600 housing units. The project appears to be a form of demographic engineering to establish a defensive belt that denies the Houthis access to the sea.

These forces have received generous military and financial support from the Emiratis, who are keen to protect sea lanes to the UAE. In July 2020, clashes broke out in the city of Turbah, west Ta'iz city, in the Shamayatayn district. Some interpreted this as an attempt by Saleh's forces and allies to expand toward areas controlled by the pro-government Islah Party.

In order to play a political role in future negotiations, the Guardians of the Republic formed a political bureau last March. This came at a time when the UN special envoy had intensified his efforts to organize talks and as the Biden administration stepped up its diplomatic efforts to end Yemen's war. To reinforce his political representation, therefore implicitly basing this on his control of a specific territory, Saleh is anchoring himself in the Makha District.

Border Towns, Markets and Conflict

However, this effort poses several challenges. One problem is that some local forces do not regard Tareq as a legitimate military commander since he was a previously part of the Houthi-Saleh alliance. In addition, a large number of Salafi fighters, who pushed the Houthis out of the coastal areas before Tariq's arrival, are not a part of the political entity he has established. A third challenge is that some parties view the National Resistance as part of an Emirati plan to maintain control over the area, especially after the UAE started building a military base on Mayyun Island last March. All these challenges are seeds of conflict in the future.

CONCLUSION

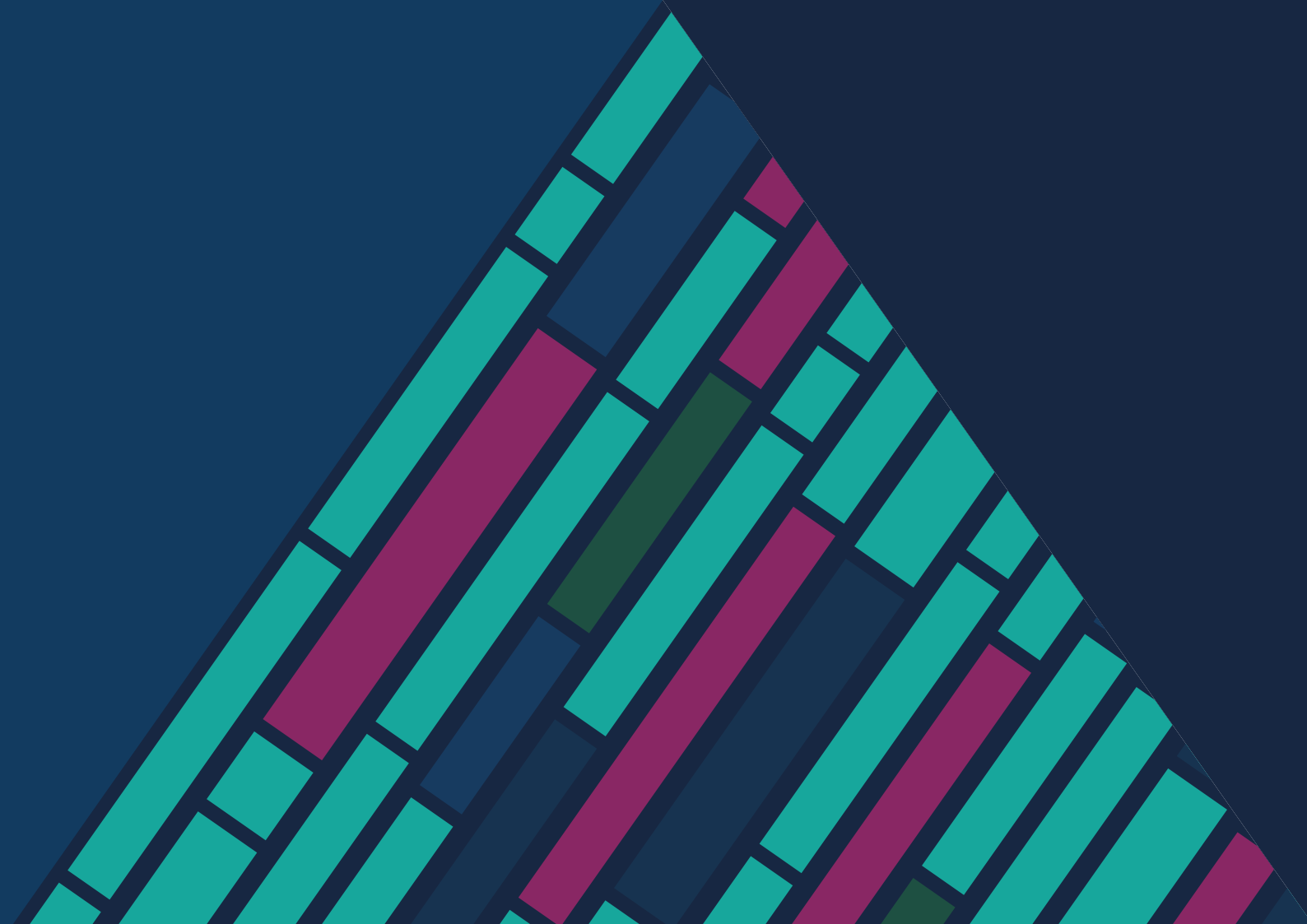
The military settlements in Makha are likely to last. The inability of the displaced former inhabitants to return has negatively affected economic life along the coast. The presence of Emirati military bases across the Red Sea, notably in Somalia, as well as on Mayyun, is transforming Yemen's western coast into part of a wider borderless area in which the Yemeni state won't be able to restore its sovereignty. From an area that had once prospered as a boundary, sustaining a significant population, the western coast has become an area serving military imperatives from which much of the population is today absent. The consequences for coastal areas are likely to be negative and far-reaching.

Makha's stabilization, not its militarization, is the most effective means of protecting the sea lane through Bab al-Mandab and encouraging local communities not to involve themselves in smuggling and human trafficking through the maritime borders. Militarization of the western coast has only compelled many smugglers to find alternative routes along Yemen's southern coast. Meanwhile, attacks against commercial shipping continue near Makha and Bab al-Mandab.

Supporting local communities economically, not replacing them with a military population, is a priority. Not only would this reduce the humanitarian crisis existing today, it would also remove the risks involved if the UAE ends funding for the forces it supports one day. Such a situation would create a floating mass of well-armed men without incomes. This could push them to look for other financial backers or to engage in illicit activities, such as piracy and smuggling, which could create new sources of tension and instability down the road.

PART II —

MARKETS, URBANIZATION AND PRECARITY





SARMADA, SYRIA–TURKEY BORDER

CONFLICT, HUMANITARIAN AID,
AND NEW ECONOMIC CENTERS

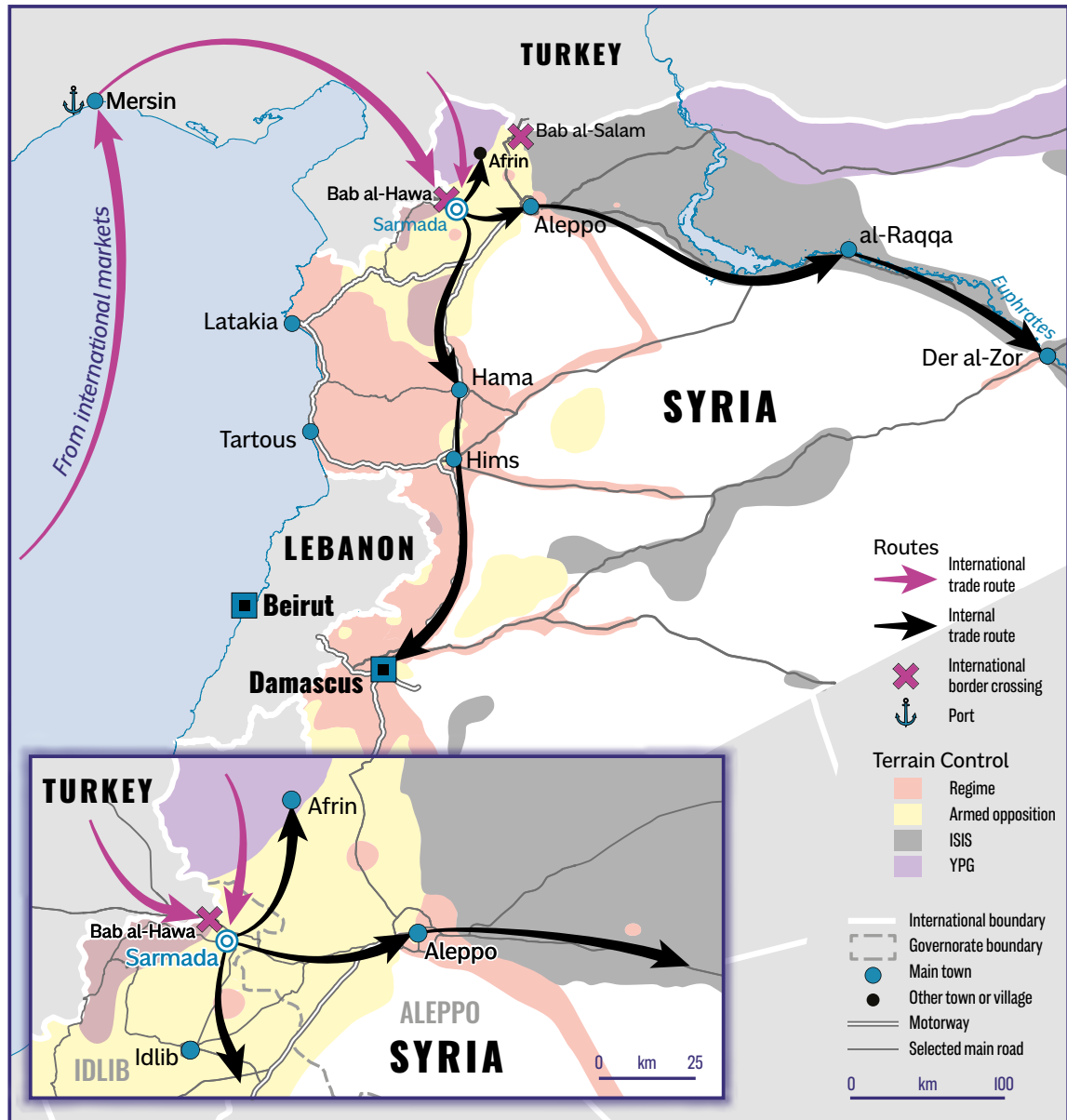
**Armenak Tokmajyan and
Kheder Khaddour**

BACKGROUND

The conflict in Syria has fundamentally transformed the socioeconomic order in the country's north, which borders Turkey. It has led to the decline of Aleppo as Syria's economic center and the rise of border towns within a new economic order that is inextricably tied to the border itself. Sarmada, located in Idlib Governorate, embodies this transformation. From a small town near the Bab al-Hawa border crossing, one long in the shadow of Aleppo, it has emerged as a commercial hub linking Syria's economy to Turkish and global markets.

Sarmada's transformation was set in motion by the militarization of the Syrian uprising in 2012 and accelerated by Syria's descent, shortly thereafter, into full-blown civil war. In 2012, the regime's gradual withdrawal of its forces from rural areas in Idlib, where rebel activity was on the rise, cut Aleppo off from its economic hinterland. Meanwhile, rebel groups and regime forces carved up the city itself between them. The toll was devastating in terms of loss of human life, flight of both capital and skilled labor, and destruction of infrastructure. The nerve center of Syria's commercial order in the north began to shift from Aleppo to the rebel-held northwestern border area, especially Sarmada and the nearby Bab al-Hawa crossing.

By 2013–2014, Aleppo city was effectively marginalized. Over the next several years, the profile of Sarmada's business community changed, as did the armed groups that controlled the town and the Bab al-Hawa crossing. Today, Sarmada and Bab al-Hawa both fall within the area under the rule of Islamist radical group Hay'at Tahrir al-Sham (HTS). But throughout all the changes, the basis of the economy that arose in the wake of the regime's withdrawal from the border area remained firmly in place: the importing of goods into Syria. Until 2017, Bab al-Hawa was one of the few border crossings in operation. This gave Sarmada great importance. It became an economic nexus between Turkey, rebel-held Syria, and regime-controlled Syria. Although several other crossings have since popped up along the Syrian border, and several nearby villages have grown into towns on the back of this phenomenon, Sarmada remains an important commercial gateway to the world.



Source for control of terrain: Institute for the Study of War

Base map data source: OpenStreetMap

© MAPgrafix 2022

Figure 3: Rise of Sarmada as a trade hub

HOW SYRIA'S CONFLICT SPURRED SARMADA'S EXPANSION

Before the uprising, the city of Aleppo was the administrative, industrial, and trade hub of Syria's north. All major local and international trade routes in the region led to Aleppo, where goods were distributed to northern Syria's smaller cities and towns. The country's descent into civil war disrupted this commercial order. While Aleppo was cut off on almost all sides and lost direct access to the Turkish border, the latter remained open to rebel-held parts of Syria for commerce. As a result, many businessmen and merchants began to relocate to previously marginal border towns in northern Syria, to Turkey, and even farther afield. For those who moved to Turkey, Sarmada emerged as the main gateway for business with Syrian markets. Similarly, cities and traders formerly within Aleppo's orbit now looked for a new and secure portal through which to import goods from abroad—and found it in Sarmada. In effect, the emerging economic order had redrawn the main commercial routes: instead of Aleppo it was Sarmada, a formerly small border town, that now served as the bridge between global and local markets.

Reflecting this transformation is the fact that the volume of Turkey's exports to Syria, which had plummeted following the militarization of the uprising, bounced back as quickly as 2014. The year before the uprising, Turkey had become Syria's main source of imports. About 9.5 percent of all imports to Syria came from its northern neighbor in 2010,¹ with their value reaching an unprecedented \$1.84 billion.² In December 2011, after Turkey imposed sanctions on Syria to pressure Bashar al-Assad to step down from the presidency, Damascus suspended its trade agreements with Ankara and imposed steep customs duties on Turkish goods.³ As a result, trade plummeted threefold in 2012. However, Bab al-Hawa and to a lesser extent Bab al-Salam, two northwestern border crossings with Turkey that fell outside the control of Damascus and were not subject to state regulations, began to witness an increase in traffic, so much so that the value of imports from Turkey increased to \$1.8 billion in 2014, almost reaching the pre-2011 level.⁴

In parallel to this development, the business environment was changing. After the Syrian army's withdrawal from the north in mid-2012, merchants who had connections to the regime suddenly lost their monopoly on big business. The regime's withdrawal had left Bab al-Hawa and other areas under the control of a hodgepodge of mostly local armed groups.⁵ Predictably, locals familiar with how to circumvent risk gained an edge. As one trader with first-hand experience of the scene in 2012–2013 explained, “local roots” or a “partner with local roots” became crucial for Syrian merchants from elsewhere to take advantage of the brisk but sometimes dangerous business now conducted in Sarmada.⁶

Toward the end of 2013, several rebel groups contended with each other for control of Bab al-Hawa. They either established their own business networks or preyed on existing ones through shakedowns.⁷ Eventually, Ahrar al-Sham, a coalition of radical Islamist groups in northern Syria, gained the upper hand. After managing to take sole control of the crossing in early 2015, Ahrar al-Sham set up a civilian administration to manage it. By that point, the composition of the traders active in Sarmada had gone from largely local to much more diverse, with merchants from all over Syria having established a base in what was clearly a burgeoning hub.

¹ Data taken from ‘World Integrated Trade Solutions.’

² *Ibid.*

³ ‘Suriya Tuwqef Ittifaqiyat al-Tijara ma’ Turkiya’ [Syria Suspends Trade Agreement with Turkey], *Al Jazeera*, 4 December 2011.

⁴ Data taken from ‘World Integrated Trade Solutions.’

⁵ ‘Ma’bar Bab al-Hawa Bayn Turkiya wa Suriya Yasqot fi Aydi Islamiyyin Ghayr Suriyyin’ [The Bab al-Hawa Crossing Between Turkey and Syria Falls into the Hands of non-Syrian Islamists], *France 24*, 22 August 2012.

⁶ Authors’ interview with a trader from Hama currently residing in Turkey (via Zoom), 22 November 2020.

⁷ ‘Idarat ‘Bab al-Hawa’: Lam Narfa’ Rusoum al-‘Ubur Itlaqan, wa Daribat al-Bada’e’ Ma’mul Biha Munzu ‘Ahed al-Khalifa ‘Omar’ [‘Bab al-Hawa’ Administration: We Did not Raise the Crossing Fees at All, and the Tax System Has Been Used Since the Time of Caliph Omar], *Zaman al-Wasel*, 16 October 2014.

Accompanying the economic shift was a demographic transformation that extended to much of the northern border region. Advantageous market conditions coupled with the fact that Sarmada was relatively safe from regime and Russian airstrikes due to its proximity to the Turkish border played a major role in this development. Internally displaced Syrians poured into the area. Almost overnight, Sarmada, which had about 15,000 inhabitants before 2011, became a medium-sized city of around 130,000 people. The population of Harim district—which includes Sarmada, Bab al-Hawa, and other border towns—increased from an estimated 450,000 in 2011 to 1.1 million in 2019.⁸

As a consequence of this, demand for property soared and construction boomed. As explained by a local construction engineer, “Those who invested in Sarmada were traders from Aleppo, Idlib, Hama, and Maarra who were already in that business. They came to Sarmada and either bought land or agreed with the owners to jointly invest in it.”⁹ The construction of one-story houses, long the norm, was increasingly outpaced by that of multistory buildings in the town itself as well as ramshackle camps for the internally displaced farther out along the border. Entire luxury-style neighborhoods, such as Sarmada Villas (Qusour Sarmada), also sprang up. Indeed, while much property was priced at the equivalent of \$20 or so per square meter, choice real estate fetched up to \$100 per square meter.¹⁰ Almost overnight, a small rural town underwent an extensive physical and economic transformation.¹¹

The rapid development of Sarmada and its environs was mirrored in several locations across the border. As a result of the ongoing conflict, two major Syrian population groupings have emerged—one in northern Syria consisting of about 2.6 million Syrians, many of whom are internally displaced,¹² and another in southern Turkey, where some 1.6 million Syrians have settled.¹³ Connecting these “two Syrias” separated by an international border is the primary bridge of Bab al-Hawa and the secondary one of Sarmada. While the former is a crucial gateway to outside markets, the latter plays the same role when it comes to Syrian markets. Rather than serve the classic function of delimiting the dividing line between neighboring countries, the Syrian-Turkish border in the vicinity of Sarmada/Bab al-Hawa functions as a sort of free trade zone—one that exists in the interstice between Syria and Turkey.

AN ECONOMIC HUB AND A HUMANITARIAN AID CORRIDOR

Historically, Sarmada’s importance derived not just from its location near Bab al-Hawa, but from its inhabitants’ familiarity with how things worked at the border. Traders in big cities across Syria enjoyed privileges that were denied the locals of Sarmada, yet they lacked the means to facilitate the transportation of goods often worth millions of dollars from Bab al-Hawa to their cities. That was the specialty of twenty or so customs clearance companies run by local families. They had hands-on knowledge of clearance, connections with local state authorities such as customs and security bodies, and links to counterparts who worked on the Turkish side of the border.

Nevertheless, customs clearance was too lucrative a business to be left entirely to the locals. In mid-1990s, then president Hafez al-Assad’s brother Jamil, who was already in the customs clearance business as it pertained to Syria’s seaports in Latakia and Tartous, decided to tap into the Bab al-Hawa market. Rather than freeze out the existing economic structures, Jamil’s approach aimed at co-opting

⁸ In the 2004 General Census, Harim had 382,000 residents. With a 2.5 percent average population growth rate in Syria, the number would have reached approximately 450,000 in 2011. The 2019 number is based on UN Office for the Coordination of Humanitarian Affairs population estimates.

⁹ Authors’ interview with an engineer and former local council official from Sarmada (via Zoom), Sarmada, 7 August 2020.

¹⁰ *Ibid.*

¹¹ See, for example, Mustafa Abu Shams, ‘Istimrar al-Nuzuh Yuwasse’ Harakat al-Bina’ fi Idlib’ [Continuous Displacement Expands Construction in Idlib], *Al-Jumhuriya*, 15 July 2015.

¹² Fabrice Balanche, ‘Idlib May Become the Next Gaza Strip,’ Washington Institute for Near East Policy, 26 March 2020.

¹³ Soner Çağaptay and Maya Yalkin, ‘Syrian Refugees in Turkey,’ Washington Institute for Near East Policy, 22 August 2018.

them. He initiated an increase in paperwork processing fees and created a joint treasury that collected the additional revenue and distributed it among the twenty or so customs clearance companies. In this manner, Jamil forged alliances with the local economic players.¹⁴ He even relied on the head of a local company to oversee the distribution of additional revenue collected by the common treasury, though it was widely rumored that Jamil's own company took the lion's share of the money.¹⁵

The changing conditions in northern Syria had a profound impact on these customs clearance companies. The regime's withdrawal ended the customs system in Bab al-Hawa and with that the need for the companies. This development, however, did not mean the end of local economic networks' relevance. Instead, these networks reinvented themselves. That certain companies proved able to segue from customs clearance to trade illustrates as much. They maintained the contacts that they had forged with Syrian and foreign traders, but reoriented them toward a new joint endeavor: importing goods and selling them on the local market.¹⁶ In so doing, these former customs clearance companies were taking the first steps toward turning Sarmada into a focal point for regional commerce and transforming themselves into a loose-knit yet like-minded group known as the Sarmada Traders (Tujjar Sarmada).

The growth of the business community in Sarmada went hand-in-hand with that of its counterpart across a wide swath of southeastern Turkey, to which many Syrians had relocated. Companies with Syrian capital proliferated, most notably in the provinces of Gaziantep, Mersin, and Kilis. In 2015, 35 percent of all new firms in Kilis had Syrian shareholders, while the figure stood at 15 percent for Mersin and 13 percent for Gaziantep.¹⁷ Syria was an important market for these new companies. For instance, exports from Gaziantep to Syria increased from about \$100 million in 2011 to \$400 million in 2015, whereas those of Hatay, another southeastern province of Turkey, increased from \$100 million to \$226 million during the same period.¹⁸

Sarmada became the main destination of goods coming from abroad and turned into a supply point for Syrian markets in both rebel-held and regime-controlled parts of the country. The immediate market was and remains Idlib, with its swelling population. Northern Syria, especially the portion under the control of Turkish-backed Syrian fighters—namely the Afrin and “Euphrates Shield” areas, the latter of which is located north of Aleppo—also includes important markets. At one point, the Islamic State's short-lived caliphate, which in 2015 extended from Aleppo's eastern rural areas all the way to Iraq's Mosul and Falluja, made for another large market. The relatively higher prices in the Islamic State's territory and the fact that it had few channels to the outside world only enhanced Sarmada's importance.¹⁹

Traders residing in regime-held areas also benefited. The Sarmada/Bab al-Hawa axis provided a means to import goods that, compared to regime-held air and maritime portals, was not only cheaper—owing to lower taxes assessed and cheaper bribes demanded—but involved less red tape and fewer delays. In practice, this meant that the otherwise convoluted method of transporting goods from China to

¹⁴ Authors' interview with an owner of a customs clearance company who turned to trade after the uprising (via Zoom), Sarmada, 3 November 2020; authors' interview with a trader and former owner of a customs clearance company in Sarmada (via Zoom), Sarmada, 15 December 2020.

¹⁵ Authors' interview with the former owner of a customs clearance company (via Zoom), Sarmada, 4 November 2020; authors' interview with the owner of a customs clearance company who turned to trade after the uprising (via Zoom), Sarmada, 3 November 2020; authors' interview with a trader and former owner of a customs clearance company (via Zoom), Sarmada, 15 December 2020.

¹⁶ Authors' interview with the owner of a customs clearance company (via Zoom), Sarmada, 4 November 2020.

¹⁷ Timur Kaymaz and Omar Kadkoy, ‘Syrians in Turkey—The Economics of Integration,’ Al Sharq Forum, September 2016.

¹⁸ *Ibid.*

¹⁹ Authors' interview with an Aleppine trader who moved to Sarmada (via Zoom), Sarmada, 23 November 2017; authors' interview with the owner of a customs clearance company who turned to trade after the uprising (via Zoom), Sarmada, 3 November 2020.

Turkey's port of Mersin, taking them to Sarmada via Bab al-Hawa, and finally sending them to a city such as Hama, was a better option than transporting them from China to the port of Tartous.²⁰

Moreover, despite the Syrian regime's ban on Turkish goods, they remained available on the market in both Aleppo and Damascus. The flow of goods across enemy lines was possible due to internal crossings that connected the divided country and demonstrated that business interests often trumped political rivalries. Abu Dali, located northeast of Hama, was one of the best-known and most widely used of the internal crossings. On the Idlib side, the crossing was under the control of HTS. On the regime's side, it was operated by a local member of parliament.²¹ Many other such internal crossings have come and gone in Syria, usually as a result of political vicissitudes. Between spring 2018 and 2019, for example, several crossings connected Idlib with regime-held areas. According to a former official in Jabhat Fatah al-Sham (the predecessor of HTS), the organization's revenue from these internal crossings was \$2.3 million per month.²²

This state of affairs was disrupted by the regime's military operation in early 2020. The regime, with Russia's help, recaptured the strategic Damascus-Aleppo highway, known as M-5. Direct commercial traffic between regime- and HTS-controlled areas immediately ceased. Subsequent attempts by HTS to open internal crossings for the purpose of trading with regime-controlled areas met with a backlash on the part of locals, many of whom had ended up in Idlib because they were displaced by regime forces' operations elsewhere.²³ Such attempts also provoked stern warnings from Turkey, which maintains a significant military presence in Idlib.²⁴ Meanwhile, internal crossings between Idlib and Afrin, which is under the control of Turkish-backed forces, assumed greater importance now that they had become Sarmada's only gateway to other parts of Syria.

Yet it is instructive that, even when faced with such a near-desperate situation, HTS resisted the temptation to exert greater control over Bab al-Hawa. Since driving out Ahrar al-Sham in August 2017, HTS had strengthened its grip over Idlib as a whole, adopting a more hands-on approach to ruling the governorate and at one point reportedly going so far as to claim that it ran a "state."²⁵ For all its bluster, however, HTS realized that it was blacklisted throughout the world as a terrorist organization. Were the group to seize outright control of Bab al-Hawa, it is reasonable to assume that merchants with international connections would steer clear of the crossing and thereby cause trade to plummet. Rather than risk such a catastrophic outcome, HTS chose a more indirect means of extracting greater revenue from the Sarmada/Bab al-Hawa axis.

Specifically, HTS sought to nurture a particular contingent of Sarmada merchants, the so-called Hay'a Traders (Tujjar al-Hay'a), whose loyalty to the group ran deep. By granting exclusive rights to the Hay'a Traders over staple foods and other key goods, HTS established a near-monopoly on the sale of sugar, chicken, and bananas, among other widely purchased items, while remaining at an arm's remove from actual transactions. According to one informed trader, a merchant unaffiliated with the Hay'a Traders "can buy sugar and take it to Bab al-Hawa. But he will not be allowed to bring it into [Idlib]."²⁶ Selling

²⁰ Authors' interview with a trader from Hama (via Zoom) currently living in Turkey, 22 November 2020.

²¹ 'Abu Dali 'Mantiqa Hurra' Bayn al-Mu'arada wa al-Nizam.. wa Na'eb Suri Yasir al-'Amaliyyat' [Abu Dali a 'Free Zone' Between the Opposition and the Regime...And a Syrian MP Manages the Process], *Enab Baladi*, 29 May 2016.

²² 'Masaleh Iqtisadiyya min Fateh Ma'bar Dakhili fi Idlib.. Man al-Mustafid?' [Economic Interests in the Opening of an Internal Crossing in Idlib...Who is the Beneficiary?], *Enab Baladi*, 29 November 2020.

²³ Authors' interview with an Idlib activist, Idlib, 6 February 2020.

²⁴ Authors' interview with a researcher from Idlib (via Zoom) based in Turkey, 13 December 2020; authors' interview with an Idlib activist, Idlib, 6 February 2020; authors' interview with a researcher working for a Western governmental research institute, 21 August 2020.

²⁵ 'Tahrir al-Sham: Fi Idlib "Dawla," Bi-l'tiraf aw min Dunih' [HTS: In Idlib there is a 'State,' with or without Recognition], *Enab Baladi*, August 31, 2020, ; Mohamed Belaas, [Facebook post](#), 30 August 2020, 11:19 p.m.

²⁶ Authors' interview with a trader and former owner of a customs clearance company in Sarmada (via Zoom), Sarmada, 15 December 2020.

to the Hay'a Traders is the only way the merchant can make his product available within Syria. HTS, it would appear, has wisely refrained from using a heavy hand and instead executed a strategy of creeping control over the Sarmada/Bab al-Hawa axis, without whose sustenance Idlib's socioeconomic order, and the HTS statelet with it, would collapse.

Meanwhile, another new dimension of the social, political, and economic order in Idlib took shape: humanitarian aid. Again, border dynamics are key to understanding the significance of this. Bab al-Hawa emerged as the most important crossing for the delivery of humanitarian aid, with Sarmada playing a complementary role thanks to its provision of warehouses for the storage of newly arrived supplies.²⁷ As Syrians in the northwest grew more reliant on humanitarian aid, the latter became part of the local economic order.

A cursory look at the relevant statistics substantiates this assertion. In 2014, United Nations Security Council Resolution 2165 authorized cross-border delivery of aid by UN relief agencies.²⁸ The authorization covered both Bab al-Hawa and Bab al-Salam in northwestern Syria, meaning that aid could enter rebel-held areas of Syria without the consent of Damascus. Between 2014 and November 2020, a total of 37,700 trucks of humanitarian aid crossed into northwestern Syria, around 85 percent of which passed through Bab al-Hawa.²⁹ In 2020, some 12,000 trucks, most of them carrying goods provided by the World Food Program, entered the region, 87 percent of them through Bab al-Hawa. About 193,000 metric tons of humanitarian aid were delivered to Harim district, as opposed to roughly 70,000 tons to all other locations in the northwest combined.³⁰ In short, Idlib is heavily dependent on the delivery of aid, the disruption of which would almost surely create a humanitarian crisis.

Here, too, HTS has found it prudent to tread lightly. For example, the group initially tried to levy a tax on all aid passing through Bab al-Hawa. However, when Western donors consequently threatened to suspend aid shipments, HTS backtracked.³¹ No less significant is the fact that Turkey has less control over aid destined for Idlib in comparison to other areas in the northwest, which are more firmly under Ankara's sway. An incident that took place in April–May 2020 illustrates as much. According to a local activist, Turkish authorities refused to allow the distribution in Afrin of food baskets that originated in Saudi Arabia and did not bear the Turkish flag. As a result, the Saudis simply rerouted the shipment to Idlib, where the baskets were distributed without interference from the Turkish authorities.³²

For all its advantages, there is no question that the current system of delivering humanitarian aid has its liabilities. Weak Turkish influence and an overdependency on Bab al-Hawa make the entire aid enterprise vulnerable to disruption by the regime. And the regime has powerful friends. In July 2020, Russia briefly held up renewal of Resolution 2165 on the delivery of aid via Turkey.³³ Moscow has for some time wanted to make all humanitarian aid to Syria pass through channels under the control of Damascus.³⁴ Were that to happen, Damascus would gain the ability to control that portion of the aid meant for Idlib. Such a scenario would prove disastrous for the area's inhabitants, as the regime would have attained the ability to destroy an essential pillar of Idlib's socioeconomic order.

²⁷ Authors' interview with a senior humanitarian worker (via Zoom), Turkey, 6 November 2020.

²⁸ UN Security Council Resolution No. 2165 (2014).

²⁹ UN Office for the Coordination of Humanitarian Affairs, 'Syrian Arab Republic: United Nations Cross Border Operations under UNSC Resolutions,' 30 November 2020.

³⁰ Logistics Cluster, 'Cross-Border Operations: Turkey to Northern Syria / January–December 2020,' 6 January 2021.

³¹ International Crisis Group, 'Silencing the Guns in Syria's Idlib,' 14 May 2020, 21.

³² Authors' interview with an activist from Idlib (via Zoom), Idlib, 6 October 2020.

³³ Michelle Nichols, 'Russia Fails Again at U.N. Ahead of Last-Ditch Vote on Syria Cross-Border Aid,' Reuters, 9 July 2020.

³⁴ Alexey Khlebnikov, 'The Future of Humanitarian Aid Delivery to Syria: What is Russia's Rationale?' Russian International Affairs Council, 31 July 2020.

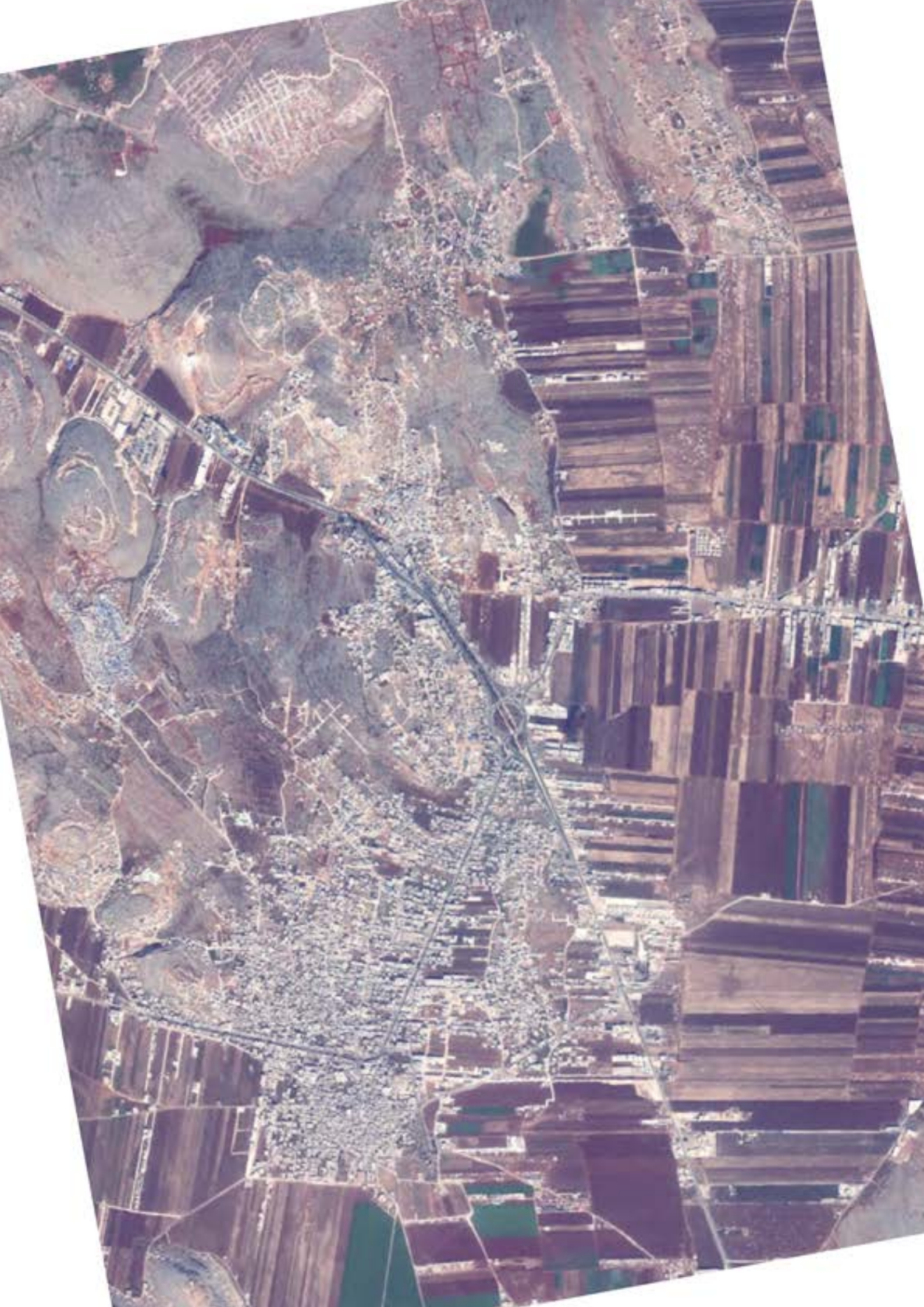
CONCLUSION

The interstitial area encompassing Sarmada and Bab al-Hawa makes for a peculiar phenomenon. It is not a classic border zone separating two sovereign states, though it actually fulfills this function. Nor is it a free zone created by such entities to facilitate trade, though it does that too. One way to perceive the Sarmada/Bab al-Hawa phenomenon is to imagine it as a multiportal gateway, one that arose organically—it is more the result of circumstance than design—between the distinct sociopolitico-economic systems of Turkey and Syria.

In the economic sense, for instance, Sarmada/Bab al-Hawa serves to connect the clear-cut and internationally recognized financial/banking order that exists in Turkey, and by extension the rest of the world, with the relatively murky one of Idlib, which is managed by nonstate actors and lacks a clear regulatory framework. Sarmada/Bab al-Hawa's economic importance is complemented by its role as a gateway of another sort, one that allows for the frequent back-and-forth movement over the border of people uninvolved in trade. Indeed, the Sarmada/Bab al-Hawa phenomenon is sustained by what gave rise to it in the first place: millions of Syrians who recently relocated to areas in the immediate vicinity and on either side of the border. Though now inhabiting two distinct systems, the fact that both population groups share a general northwestern Syrian sociogeographic origin enables them to transcend all manner of boundaries—including an international border.

The peculiarity of this multiportal gateway also lies in the fact that no single actor wields firm control over it. Turkey, the only international player with a strong presence on the ground in Idlib, enjoys influence but not control. HTS, which rules most of Idlib in the immediate, physical sense, has encroached on the Sarmada/Bab al-Hawa space and reaped certain benefits as a result. Nevertheless, the group has pointedly refrained from exerting full control, as such a move would backfire.

As vital a lifeline as the Sarmada/Bab al-Hawa gateway may be, especially for the people of Idlib, it remains vulnerable. This is because, for all the sustenance provided by millions of Syrians on either side of the border, its existence remains overly reliant on larger political constructs over which local actors have scant influence. Indeed, a military escalation by Russia and the Syrian regime, or a political agreement stipulating that the region should revert to regime control—as happened to rebel-held areas in southern Syria in the summer of 2018—would strangulate Sarmada/Bab al-Hawa. Even a reorganization of cross-border humanitarian aid delivery could lead to such an outcome, particularly if the regime gains the ability to manipulate the process. In effect, the Sarmada/Bab al-Hawa gateway, which emerged overnight as an economic hub undergirding a crucial part of northwestern Syria's war economy, could fall apart just as quickly and trigger the collapse of Idlib's wartime order.





NORTHERN BAHR EL-GHAZAL STATE, SOUTH SUDAN–SUDAN BORDER

WAR, MARKETIZATION AND CHANGING GENDERED ORDERS

Joseph Diing Majok

Two decades of violent state-sponsored raiding and mass displacement during the second Sudan Civil War from the early 1980s fundamentally transformed livelihoods in (Northern) Bahr el-Ghazal that then marked the internal border between northern and southern Sudan. Peace processes, agreements, and eventual independence for South Sudan reordered both borderlands, but also people's livelihoods, and previously gendered roles and restrictions. While war in Sudan and South Sudan has been associated with sexual and gender-based violence (SGBV) where women have been the primary victims, it has also shifted gendered norms and authority.

BACKGROUND

In the mid-1990s and prior to the signing of the 2005 Comprehensive Peace Agreement (CPA), and in spite of continued fighting, internal trade between largely Sudan People's Liberation Army (SPLA) rebel-held Bahr el-Ghazal and Khartoum government-controlled (East) Darfur and (South) Kordofan expanded. Informal markets sprang up along this internal border and frontline, in which local populations sold their livestock and semi-processed rural products such as tamarind tree fruits, palm tree leaves, gum arabic and grass mats to Darfuri traders, to purchase grain, clothes, tea, and bedding imported from the north.

The SPLA and Khartoum government forces and aligned militias each sought to protect, control, and tax these markets, which marked a shift from these conflict actors contesting control of populations to directly extracting their wealth through taxation. Khartoum preferred their 'southern' Dinka militias to protect markets under their control, allowing 'northern' Arab Rizeigat and Messeriya militias known as Murahileen to harass SPLM controlled markets, even when their own kin were present as traders.

FRONTLINES TO PEACE MARKETS

By the early 2000s as peace talks were underway, the borderland markets including Nyamlel, Manyiel, Warawar (and Aneet in Abyei) were designated as 'peace markets'. Local Khartoum-backed militia and SPLA commanders appointed committees of traditional authorities and traders from the Dinka,



Base map data source: OpenStreetMap

© MAPgrafix 2022

Figure 4: Northern Bahr el-Ghazal Borderlands

Messeriya, and Rezeigat communities to oversee these markets, community reconciliation, and above all, to collect taxes. Trade boomed, further empowering and enriching local commanders from the opposing sides.

Local women, often primary and secondary victims of wartime disorder, also benefited from this emerging marketized order. The protected (if militarized) markets allowed them to brew and sell alcohol, open teashops, manufacture grass mats, and collect gum arabic to sell to northern traders. This network of militarily-organized cross-border markets and trades is still at the core of the regional economy today.

PEACE AND (RE)-ORDERING

When the CPA was finally signed in 2005, half a million displaced people returned to the depopulated northern Bahr el-Ghazal borderlands, beginning a process of wholesale social and economic reconstruction. Despite families' return and the reclamation of old family farms and kin-owned land, the old order was not recoverable.

Decades of war had created new political and military elites, an 'NGO' class (dollarized humanitarian sector workers), as well as attracting commercial investors from South Sudan and Darfur. This was also the time of increasing oil production and expanding state employment (and payroll). These diverse groups were united by their access to monetary capital that they could invest in large farms for commercial, as opposed to kinship-based, agricultural production. While some returnees were cash-rich, others were resource-poor and cash-dependent, and represented a significant pool of cheap labor.

The years of war and displacement had removed stigma around wage-labor, which had formerly been strongly associated with servitude and even slavery. Before the wars, this stigma had previously pushed the poor and landless to migrate to the north rather than working for cash locally. By the mid-2000s the pressures of postwar family reconstruction and survival within an increasingly monetized market system meant many households could not return to a purely subsistence-kinship based livelihood: families needed cash for building materials, farm equipment, primary education, and healthcare, and so could not dedicate all their manpower towards self-production of food.

Soon after South Sudan's independence in 2011, these peacetime borderland conditions deteriorated. Escalating tensions over the disputed border resulted in a brief war with Sudan at the Heglig-Panthiou border point in 2012; in the same year, a growing economic crisis began, and in December 2013, South Sudan's government and army splintered in a new civil war. Northern Bahr el-Ghazal's borderland economy was eroded by inflation, depreciation, and the collapse of government and military payroll and finances.

Men who benefited from post2005 state payrolls in the army and civil service were particularly affected, and many were recruited into the government military (either by the rhetoric of 'protecting the government' and restoring its fortunes, or just to seek an income) and transferred to the frontlines of the civil war as serving soldiers or new recruits. Families were again separated by war, and women and their dependent children left without men's incomes and farming labor. As women sought extra incomes from markets and paid farm work, their increasing financial responsibilities and independence also brought extra labor burdens, family separations, personal risk, and social stigma. Despite the hardships they faced, women again pioneered locally cash-paid work in war-time conditions.

GENDER AND BORDER CONTROLS

Labor migration from northern Bahr el-Ghazal in the 1960s and 1970s was mostly by men. They spent their wages mostly on bride wealth to marry, giving them control over wealth and decisionmaking within their household, and over women in particular. For these reasons during the 1960s and 1970s, there were comparatively strong social controls on women's work and travel. This changed with war in the 1980s displacing women with their families, who took up waged work in refugee camps and urban settlements across Sudan and worked within the peace markets and then the postwar cash-based economy as they returned to the region.

The economic crisis and return to war in 2013, and the deaths or disappearance of men in military service, has forced many women to take more independent decisions regarding the wellbeing of their families, including moving with their children to towns in the region or across the border to refugee camps or towns in Sudan. Many women returned 'North' to Sudan to seek better-paid work, where

Border Towns, Markets and Conflict

they had more opportunities for domestic and service work in northern towns with larger middle-class populations.

This cross-border movement is higher at times of local environmental disasters, including the 2015–2016 crop failures and market food price rises. Some women now see migration to the north as a way to escape from what one called a 'life of *malwa*', a situation where a woman heading her household works for about 12 hours to afford a *malwa* (a small tin's worth) of grain for her children, lasting maybe a day or two at best.

The scale of women's migration north has prompted state officials and local customary authorities, including the borderland peace committees (linked to the old wartime committees that oversaw peace markets)¹ to institute a permit system for women's border crossing. Since 2017, women are required paperwork to show a 'legitimate' reason for travel to Sudan such as for medical care. Those who don't have these permits risk detention, beating, and sexual assault.

CONCLUSION

In the post-independence re-ordering of the northern Bahr el-Ghazal borderlands, gendered roles have changed, and family-based male authority over women and money has diminished. Years of violence and armed conflict in (South) Sudan saw the incorporation, and dependence of individuals and families on cash-based markets, and commodification of their labor and what it produces. This also meant that young men and women are less willing to work for their male elders for no pay in return. This has not, however, meant freedom of movement for women and their children. Rather than a (re-)productive asset for kinship groups, women are now seen as a national state asset. The movement of women and children across the border to Sudan is seen as a risk to the reproduction of the nation and of patriarchal family order; more immediately, the loss of women's labor is a major economic risk to the Northern Bahr el-Ghazal borderland regime.

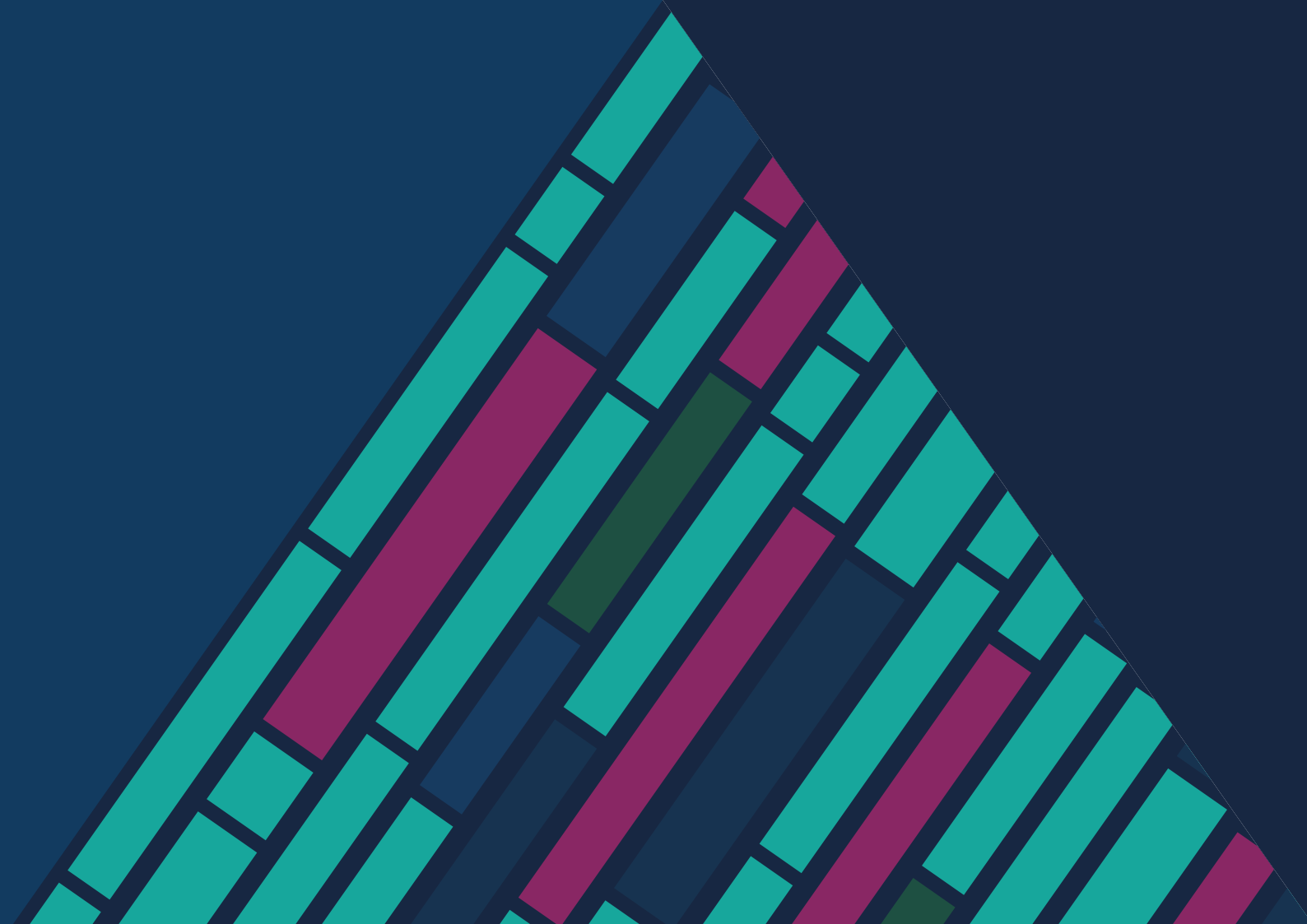
The rapid commodification of men and women's labor through repeated crises and reconstruction have put significant pressure on family capital and daily incomes. With people surviving on unpredictable cash work and market prices, they are less able to invest in family savings: this is undermining the resilience and survival options of the poorest men and women. Humanitarian and economic development policy must take into account the erosion of social security and mutual aid by the rise of cash work and market dependence.

This worker insecurity and market dependence in the borderlands is useful for investors and local authorities, who benefit from an easily mobilized cheap workforce (including in military recruitment); the intense daily economic pressures on men and women also suppresses their ability to politically organize or protest.

¹ In Warawar, Chief Deng Luol, the founder and the first Dinka Malual-Messeriya peace committee was the head of the post-independence peace committee until his recent death. His brother now is the acting head and deputized by a Messeriya (and his son).

PART III —

CONFLICT AND THE MILITARIZATION OF ECONOMIES





MAIWUT, SOUTH SUDAN–ETHIOPIA BORDER

TRADE, LOCAL POLITICAL ECONOMIES AND NATIONAL CONFLICT

**Freddie Carver and
Duol Ruach Guok**

BACKGROUND

The Ethiopia-South Sudan borderlands typify border zones in the Horn of Africa where different forms of order overlap. Formally, the presence of an international border creates a theoretical demarcation between two states with very different political and economic systems (or orders). But in practice this demarcation is blurry in the extreme. The physical remoteness of the territory from the centers of the national systems means that these formal orders are themselves remote from everyday life. Instead, more informal local orders, rooted in the histories of the populations of the area—and for whom the border is rarely understood as a real physical barrier—dominate. Bridging these two types of order are a set of administrative structures designed to manage the resources of the area on behalf of national political elites, including control of the border itself. These institutions become, in effect, a battleground, a space where local actors can seek to assert control across all these types of order. These contestations produce complex conflicts that may look, to outsiders, like disorder, but are actually a logical consequence of the interactions of these different power structures.

The focus of this case study, Maiwut, is the name of both a settlement and its surrounding area, located close to South Sudan's eastern border with Ethiopia's Gambella region. This cross-border region is populated primarily by communities who identify as Jikany Nuer from the Gaajaak subsection, divided among different smaller groups or *cieng*. Maiwut itself is a short journey away from another key border settlement of Pagak, the headquarters of the Sudan People's Liberation Movement/Army in Opposition (SPLM/A-IO) for the early phase of the post-2013 civil war in South Sudan. With excellent road access from Pagak to the capital of the Gambella region, Maiwut became "one of the main points of entry used for weapons and food ... delivered to the SPLM/A-IO from outside South Sudan."¹

¹ 'Annex 2: Case study on internal fighting among the Sudan People's Liberation Movement-Army in Opposition in Maiwut State', from *Letter dated 20 November 2019 from the Panel of Experts on South Sudan addressed to the President of the Security Council*, UN Panel of Experts on South Sudan, 2019.

These borderlands have long acted as the base for armed resistance to pre- and post- independence governments in Khartoum and Juba respectively. But Maiwut and its environs also play a crucial role in providing an entry point into and out of South Sudan's wider political economy. Like many cross-border sites, it holds a number of political, economic, and strategic resources that national and local political actors compete to control. The competition between these actors, which can be seen as a clash between national order and local orders in these borderlands, have often introduced key elements of borderland social and political resources. The interaction of these different forms of order produces complex political effects, which lie at the heart of this case study.

MOVEMENT, MOBILITY, AND COMPETING ORDERS IN THE SUDAN-ETHIOPIA BORDERLANDS

The South Sudan-Ethiopia borderlands around Maiwut are now inhabited by those who identify as (Jikany) Gaajaak and Gaajiok Nuer. The local history of settlement exemplifies the ways that mobility has been central to the history of the Nuer speaking peoples over the past 200 years. Historians of the region indicate that in the early 19th century, Nuer speaking peoples lived primarily on the west bank of the Nile, but over the course of the last 150 years have moved increasingly eastwards.² This "time of [eastward] expansion" before the imposition of colonial boundaries has continued, and Nuer speaking peoples are firmly established on both sides of the South Sudan-Ethiopian border.³

This overarching story of eastward movement is matched by more regular and cyclical mobility back and forth across the border that continues to this day, particularly seasonal movements to find pasture for cattle. Nuer livelihood and social structures facilitate this movement, allowing for families and kin to form new connections relatively easily.⁴ Local people often refer to such connections in the language of "eating together."⁵

This local mobility finds tension with the logic of state-based territoriality, which requires lines to be drawn on maps and formal administrative hierarchies put in place. This tension creates both risks and opportunities for national politicians, local populations, and local elites in a space where loyalties shift between the different orders attempting to impose themselves. The Nuer communities that live on both sides of the border have become adept at navigating between these different orders. Given that identification with the Ethiopian or South Sudanese states is a relatively remote concept to many of these communities, it becomes logical to move between these different identities to access the different resources available to each.⁶

² Barnes, C., Carver, F., Deng, S. A., Kiir, G., Kindersley, N., Lorins, R., & Maher, S. (2018) *The role of transnational networks and mobile citizens in South Sudan's global community: A pilot study focused on Melbourne and Juba*. Rift Valley Institute.

³ Interviews with Nuer-speaking people in Gambella, April 2019.

⁴ For more on Nuer social structures in the Ethiopia borderlands, see the works of Dereje Feyissa, for example: Dereje Feyissa (2013) 'Alternative Citizenship: The Nuer between Ethiopia and the Sudan', from *In The Borderlands of South Sudan: Authority and Identity in Contemporary and Historical Perspectives*, edited by Christopher Vaughan, Mareike Schomerus and Lotje de Vries, 109–31. New York: Palgrave Macmillan; or Dereje Feyissa (2010) 'The cultural construction of state borders: the view from Gambella' in *Journal of Eastern African Studies* 4/2: 314–330.

⁵ Interviews with Nuer-speaking people in Gambella, April 2019.

⁶ Dereje Feyissa (2013) 'Alternative Citizenship: The Nuer between Ethiopia and the Sudan', from *In The Borderlands of South Sudan: Authority and Identity in Contemporary and Historical Perspectives* edited by Christopher Vaughan, Mareike Schomerus and Lotje de Vries, 109–31. New York: Palgrave Macmillan.

THE NUER CONCEPT OF CIENG

While national level descriptions of South Sudan tend to focus on the large so-called tribal divisions, for example between Nuer and Dinka, this is often not the most significant unit of identity for most Nuer speakers. Certainly, for the majority of Nuer who still live in rural areas, the primary unit of identity is the *cieng*, which can be translated as “home,” “kin,” or sometimes “subsection.”

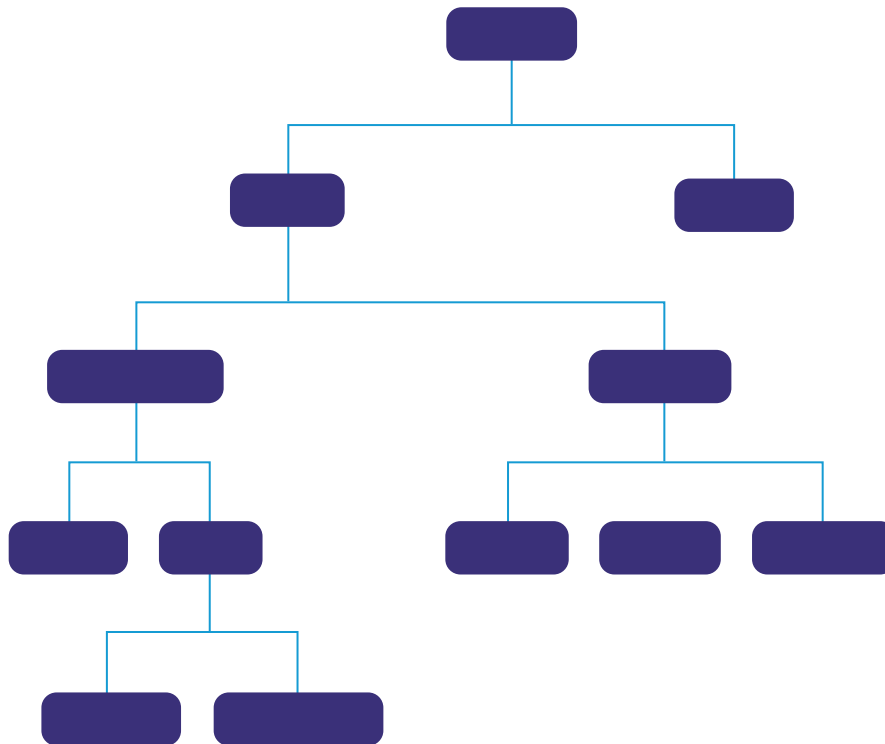


Figure 5: An example of a lineage under the Nuer concept of *cieng*

Cieng identity, based on ancestry, is therefore highly personalized and portable. For example, there are global networks of *cieng*-based associations reflected throughout the Nuer diaspora. However, simultaneously—and often confusingly for outsiders—*cieng* identity is also territorialized, with particular communities rooted in particular locations across South Sudan and western Ethiopia.⁷

⁷ Interviews with Nuer-speaking people in Gambella, April 2019, and Barnes, C., et al. *Ibid.*

CIENG AND TERRITORIAL BOUNDARIES

Such identity-based claims to territory have been deepened by governments who have sought to use administrative boundaries to vest state authority in particular groups, in order to either secure the loyalty of particular communities or sow division. Over time, these attempts at matching territorial order with particular communal authority have been used on both sides of the border, although in very different ways related to the nature of the Ethiopian and South Sudanese states.⁸

Within South Sudan, before the current civil war, the Gaajak *ciengs* were administratively divided between Maiwut and Longechuk counties, both falling within Upper Nile State, an arrangement that dated from Sudan's independence in 1956 and that was inherited by South Sudan in 2011. Maiwut county, specifically, was understood as being shared between Ciewaw, Ciecany and Thiang Cietar *ciengs* (see map above).

The Ciewaw and Ciecany *ciengs* are particularly associated with Maiwut town itself, and there have long been tensions between the groups over who has primacy there. Maiwut is the county capital, with an estimated population of 12,000 people in 2019⁹ and hosting the key administrative offices of the county. With reliable road access to the border and a well-maintained air strip, it acts as an important bridge between the Ethiopian markets to the south and the oil fields farther to the north. These two *ciengs* are also associated with Jikow *wereda* (an Ethiopian administrative division which is the near equivalent of a county in South Sudan) over the border, and the *cieng* structures mean that these populations can move freely across the border and exchange resources relying on their social ties.

Pagak, also within Maiwut county, lies on the border itself and, with a paved road running all the way to Gambella town, forms the main border crossing point.¹⁰ It has been primarily identified with the Thiang Cietar *cieng*, and became critically important in the early stages of the 2013 civil war as Riek Machar established the headquarters of the SPLM-IO there. On the Ethiopian side, it was also the site of a key registration center for those claiming South Sudanese citizenship to seek asylum within Ethiopia.

Given the long history of conflict in the area and the lack of alternatives, central to the livelihood strategies of *ciengs* based around the border is their ability to take advantage of the different “opportunity structures” available on each side—structures that have evolved over time. In the early 20th century, the greater provision of education by missionary groups in South Sudan led to movement in that direction, but in more recent years the relative stability of Ethiopia and national investments in tertiary education has created more opportunities for Ethiopian Nuer. For those that speak English, more lucrative jobs are available within the aid operation in South Sudan, often paid in U.S. dollars; while for those more comfortable with Amharic, there are more opportunities in Gambella's public sector.¹¹

These opportunities—or what Frederick Barth calls ‘affordances’—create strong incentives for these *cieng* to ensure that they maintain their position on both sides of the border, enabling them to move back and forth between these different orders as necessary.¹²

⁸ This is particularly the case given that the current constitution of Ethiopia is an extreme example of identity-based territoriality, with the federal system organized primarily on the basis of ethnic identity, allocating different rights and entitlements to different groups in different locations. This has formalized the Nuer people's relationship with the Gambellan territory within Ethiopia, while also raising the stakes of conflict between the two largest ethnic groups in the region (Nuer and Anuak) for control of the administration of the region.

⁹ Maiwut, South Sudan Household Water, Sanitation, and Hygiene Survey, May–July 2019, Aqua Africa.

¹⁰ Lare is the other key border crossing in the area, within the territory of the ciewaw and ciecany, although access to Gambella town is more challenging than from Pagak.

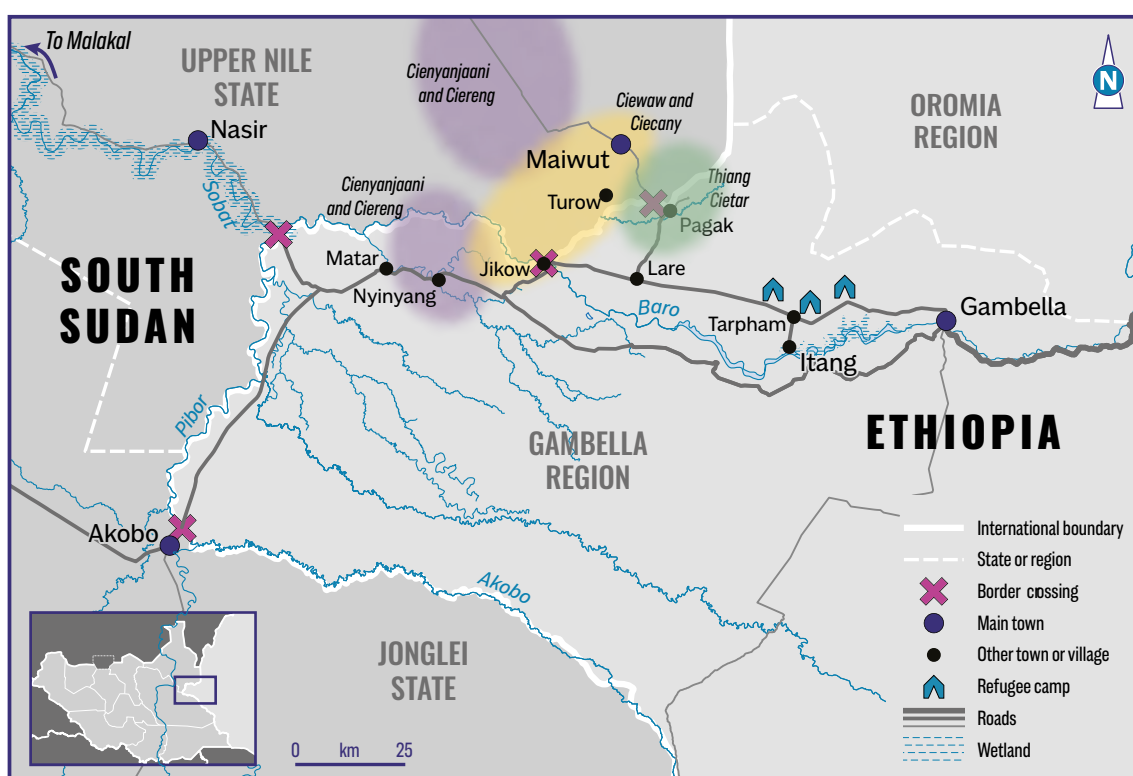
¹¹ Dereje Feyissa (2011) *Playing different games: the paradox of Anywaa and Nuer identification strategies in the Gambella region* Ethiopia. New York: Berghahn Books.

¹² Freddie Carver (2020) *Rethinking Aid in Borderland Spaces: The Case of Akobo*. Rift Valley Institute.

CROSS-BORDER RESOURCES

The South Sudanese state has been far less able to exert its presence in the area in recent decades than the Ethiopian one thanks to the relative underdevelopment of state infrastructure in South Sudan, creating two very different political frameworks for inter-*cieng* competition over power and resources, and the conflicts that competition generates. And given this part of South Sudan's remoteness from other supply chains into the country— particularly since access to Malakal has become more difficult due to conflict—the resource flows across the border have become increasingly important to the local area. The area around Maiwut, therefore, sees a significant flow of resources across the border including cattle, grain, household commodities, and also access to government and NGO wages and services.¹³

Cattle is the most significant cross-border resource flow, and crucially has both communal and monetary value: it is integral to local social structures since the bulk of bridewealth and compensation payments are paid in the form of cattle. The movement of cattle from the Maiwut area to riverine areas on the Gambella side happens annually, to take advantage of seasonal differences in the availability of water and grazing on either side of the border. While it used to be accumulated through family herds, national political actors have also increasingly invested in large cattle herds.¹⁴



Base map data source: OpenStreetMap

© MAPgrafix 2022

Figure 6: The Gambella-South Sudan border

¹³ *Ibid.*

¹⁴ Catley, A. (2018) *Livestock and livelihoods in South Sudan*. K4D Helpdesk Report. Brighton, UK: Institute of Development Studies.

Border Towns, Markets and Conflict

Cattle move across the border not only as function of transhumance, but also through an increasingly monetized trade, particularly from South Sudan to the (currently) more cash-rich markets in Gambella. Control over border locations like Maiwut allow local and national politicians to tax movement of cattle and access to the Gambella markets. Elite-owned herds also provide employment to young (armed) cattle herders, cattle traders, and young men that stay with cattle. Within Gambella, there are systems in place for providing access to the cattle market in Gambella town for different Nuer *cieng* on a rotational basis, but very little formal documentation of the volume and scale of trade.¹⁵

Local seasonally grown grains are also exchanged across the border supplemented by World Food Program distribution channels, including air drops and—to a far lesser extent—land/river supply from Ethiopia. Cross-border movements of grain tend to be primarily within local areas, apart from exceptional moments, for example when armed groups in the area need grain for their troops.

Aid resources, as elsewhere in the borderland zone, are also significant. For Nuer populations, this can be either as an employee or a beneficiary of the aid operation. If an individual has adequate qualifications, then employment within the aid sector is both more lucrative and more accessible in South Sudan, with many of the senior roles in Gambella taken by Ethiopians from other parts of the country. With a number of UN agencies and international NGOs present in Maiwut town, jobs are available there, or in other key hubs in the region such as Akobo or Malakal.¹⁶

Even for those without the qualifications to take up such positions, aid resources play an important part in the economy of the region. In Maiwut county, agriculture has been severely affected by conflict and food distributions have been patchy, relying on a small number of partners with the requisite logistical reach.¹⁷ More reliable, therefore, are the food distributions in the refugee camps of Gambella. Since 2013 there has been a huge growth in the numbers of refugees in the region, with the largest camps in Itang *wereda* (less than 100 km away from Maiwut) having almost 200,000 registered refugees as of May 2020.¹⁸ Even with ration cuts in recent years, the grain and other goods distributed regularly in the camps flow freely into the markets in the region as refugees seek to monetize these assets for other purposes.

Another key resource flow into the region is remittances from transnational networks. Gambella acts as a hub for the global Nuer community, who can far more easily and safely travel to the region through Addis Ababa and Gambella, then crossing the porous border to South Sudan as necessary, than they can from Juba. Money transfer agencies and banks in Gambella town play a key role, as do the many individuals who travel in and out of Gambella to visit family members, bring goods and cash, and manage family issues. Finances are used to support education, invest in businesses, secure marriages, and enable others to move internationally.¹⁹

¹⁵ *The Nuer Pastoralists – Between Large Scale Agriculture and Villagization: A case study of the Lare District in the Gambella Region of Ethiopia*, 2017, Seide, pp. 21–23.

¹⁶ Freddie Carver, *Ibid.*

¹⁷ See 'Maiwut Initial Rapid Needs Assessment (IRNA) 'long read' for operational partners in, or planning to work in, the county', 2019.

¹⁸ Carver, F., Gebresenbet, F. and Naish, D. (2020), 'Gambella Regional Report: Refugee and host community context analysis', Overseas Development Institute.

¹⁹ Carver, F., Chienien, J., Deng, S. A., Gidron, Y., Guok, D. R., Kindersley, N., Wal, G. (2020). 'No one can stay without someone': Transnational networks amongst the Nuer-speaking peoples of Gambella and South Sudan. Rift Valley Institute.

In light of all these resource flows, control of the border crossings in the area, particularly Lare (see footnote 10) and Pagak, are a critical source of rents (taxation or licenses) for those who control local authorities, whether civilian or military. These local revenue streams have been particularly important in a context of unpredictable government salaries paid from the center, especially as Maiwut has switched loyalty from the opposition to Juba several times. This has reduced the income coming into Maiwut town as the opposition have been unable to match even the government's patchy ability to pay salaries, making competition over the resource flows that do remain even more intense.

THE COMPETITION BETWEEN NATIONAL AND LOCAL ORDERS IN MAIWUT

When viewed from the perspective of control of local cross-border resources, the national armed competition between pro- and anti- Juba forces—often divided along ethnic Dinka versus Nuer lines—is seen differently in Maiwut. Perhaps the most prominent actor in this local-national story is Major General James Ochan Puot.²⁰

James Ochan Puot is a former senior SPLM/A-IO figure from the Ciewaw section (of the Gajaak) community born in Maiwut, a long-time soldier and former commander of the IO's Tiger force. He played a key role for the IO in responding to the 2017 Pagak offensive, fighting against those elements of the IO who split with Taban Deng Gai (from the western Jiikany Nuer) when he joined the government [as vice president] in Juba in 2016. These battles led to the IO retaking control of Maiwut town, pushing Taban's troops back to Pagak, and Ochan being appointed as deputy commander of the IO division in the area, based out of his hometown of Maiwut. As a son of the area, he soon took control of local rents, particularly on the cross-border trade described above, and used this resource base to strengthen his influence over local communities.

This soon became a direct challenge to his supposed IO senior who had previously been the dominant force in the area, the commander of the 5th Division (based in nearby Turow), Major General James Khor Chuol. Khor is from the Cie-nyejani section (of the Gajaak) community and therefore has a different set of networks and interests in the area, and soon felt himself being undermined by Ochan's growing authority. He formed an alliance with the IO state governor, Stephen Pal Kuon, from the Thiang Bar (another section of the Gajaak) of Longechuk county, to directly challenge Ochan, leading to increasing tensions and fighting over the course of 2019.

Due to rivalry within the SPLM/A-IO over local primacy and the increasing attractions of association with the new Transitional Government of National Unity (TGoNU) in Juba, Ochan defected from SPLM/A-IO in September 2019. The government proceeded to support Ochan against his local rivals to further undermine the strength of the SPLM/A-IO in the area.²¹

This version of the conflict provides only a partial story, however, and contrasts with the narrative emphasized by local stakeholders that focuses far more on local populations' agency in shaping events in the area. They emphasize that the tensions that broke into open conflict were primarily driven by

²⁰ The following paragraphs draw primarily on 'Annex 2: Case study on internal fighting among the Sudan People's Liberation Movement-Army in Opposition in Maiwut State', from *Letter dated 20 November 2019 from the Panel of Experts on South Sudan addressed to the President of the Security Council*, UN Panel of Experts on South Sudan, 2019, with additional material from interviews conducted in Gambella in April 2020 and Craze, J. (2020) 'The Politics of Numbers: On Security Sector Reform in South Sudan, 2005–2020'.

²¹ Also see 'SPLA-IO's top general defects to government', Radio Tamazuj, September 2019.

long-standing disagreements between the communities of the Maiwut area and their political leaders about who has the right to control resources in different locations, including rents from valuable cross-border flow of goods and services.²²

At the heart of this disagreement was tension between the Ciewaw community and the then SPLM/A-IO Governor Stephen Pal Kuon. Kuon is from the Thiang Bar *cieng*, rooted in Longechuk county to the north, and therefore seen as a relative outsider to Maiwut itself. As national-level actors in Juba moved towards resuscitating the national-level (Agreement on the Resolution of the Conflict in South Sudan) peace deal in 2018 and 2019, the question of who controlled which locations, particularly locations rich in strategic resource like Maiwut, became ever more important. The holding of key administrative positions, which under the SPLM/A-IO held only the theoretical promise of significant resources, with the TGoNU set up might actually have become lucrative once again. The memories of the 2005–2012 period, when significant resources flowed from Juba to those in authority, remained strong.

In Maiwut, this played out in relation to key appointments at the county level, particularly the role of county commissioner. The *Ciewaw* had long felt that they should have more control over local resources, and grievances had arisen towards Kuon about the ways that he, for example, was perceived to direct positions with international NGOs in the area primarily to those from his own *cieng*. Ochan's arrival in Maiwut heralded a change in this dynamic, giving more confidence to those frustrated with the governor. Kuon's response was to seek to assert his authority through replacing the county commissioner with an individual from the *ciecany* community, his own son-in-law.

Local respondents consistently cited the tension that emerged from this decision as the primary driver of the conflict that followed, as the *ciewaw* have felt impelled to defend their interests in the area. This explains why much of the conflict that followed was between the *ciewaw* and *ciecany* groups, rather than more directly between the communities of Ochan and Kuon himself.

From this perspective, the early stages of the conflict are less a product of General Ochan's ambition than the consequence of long-standing community tensions between *ciewaw* and *ciecany*.²³ The conflict then took a more decisive turn after talks among the key actors in Addis facilitated by Riek Machar²⁴, which resulted in all three Gajaak protagonists of the conflict (Ochan, Khor, and Kuon) losing their positions. It was at this time that Ochan made the decision to escalate his role in the conflict and turn from the IO to the government. With the conflict already well underway, those fighting on behalf of the *ciewaw* were in need of ammunition and Ochan was concerned that if he did not align with the Juba government and secure their support then the local population would seek out other figures who already had.

Once fighting began, new grievances emerged and a wider range of political and military actors sought to profit from the situation: "At the beginning *ciewaw* did not know what they were fighting for, they [only] began to know it later, after their people were killed. Then their cause [was] to fight IO to avenge the people who were killed."²⁵

²² The following account draws primarily on interviews conducted with a number of Nuer speakers from the Maiwut area in Gambella in April 2020.

²³ Indeed, Ochan initially tried to distance himself from the violence, despite the killing being carried out by one of his bodyguards. Ochan argued that he could not be held responsible as the man had committed the murder as a civilian, "with his community", rather than in his role as a soldier, and actually offered to mediate between the IO commanders and the community.

²⁴ Riek Machar was based in Addis Ababa at the time, hosted by the Ethiopian government, who also hosted the peace talks that led to the ARCSS. Addis Ababa has been an important site of opportunity, particularly tertiary education, for the Nuer community of Gambella.

²⁵ Interview with Nuer speaker in Gambella in April 2020.

The decision of General Ochan to ally himself with the government troops at the base in Pagak on the Ethiopian border fundamentally altered the conflict. It caused division among the *ciwaw* themselves, many of whom did not agree with the strategy to turn to the government for support. It also mobilized a wider range of communities against them, including other Jikany Nuer. What was a localized conflict around dominance of the Maiwut area was suddenly reframed, for at least some of the wider Nuer population, as a betrayal of the SPLM/A-IO by the *ciwaw* community as a whole (despite the divided views of the *ciwaw* themselves).

The mobilization of people to fight requires resources, and the raising of money (including from diaspora groups) draws more elements of the community into the conflict. As one local observer noted: “Conflict always involves finance. Financial support have complicated the conflict, also interests, Gaajak interests. Actually, to tell you truth, the issue is between Gaajak. It cannot be treated as IO with *ciwaw*. Ochan defected because he complained that he was mistreated, but it is just pretext.”²⁶ The financial involvement of both the government in Juba and the wider community in the conflict has raised serious tensions among both the *ciwaw* and the other Gaajak *ciengs* from the area, consistent with the findings of other recent research from South Sudan.²⁷

CONFLICT CROSSES THE BORDER

The fact that the conflict centered on inter-*cieng* competition between the *Ciwaw* and *Ciecany* made it inevitable that it should spread across the border into the Jikow *wereda* in Ethiopia, which the two communities straddle. Within Jikow *wereda* there had also been past tensions between the communities over control of fertile riverside grazing lands, creating an enabling environment for conflict. As one respondent said: “It is the same conflict there [in Maiwut] between *ciwaw* and *ciecany* which escalated to Jikow.”²⁸

In Jikow, the violence began in response to a series of revenge killings, in particular when a man from the *ciwaw* community in Maiwut county, South Sudan, was said to have crossed the border to avenge his relatives by killing a *Ciecany* subdistrict (in Amharic *kebele*) leader in Ethiopia. With many families losing individuals on both sides of the border, the violence then escalated rapidly in Jikow *wereda*. But it is significant that in Ethiopia this escalation did not reach beyond a local *wereda* level.

Here we see how the presence of the border and contrasting national political frameworks interacts with localized conflict dynamics to affect their outcome. Whereas for General Ochan the potential gains from the conflict in the South Sudanese environment, in terms of his leverage on local and national politics, are significant, there is no equivalence within Ethiopia’s political economy. Gambella and its local politics do not matter in the same way to the Ethiopian state, and so there is no significant leverage to be gained at the national or even regional level by exploiting these conflicts.

²⁶ Interview with Nuer speaker in Gambella in April 2020.

²⁷ Naomi R. Pendle (2020) ‘The “Nuer of Dinka money” and the demands of the dead: contesting the moral limits of monetised politics in South Sudan’, *Conflict, Security & Development*, 20:5, 587–605.

²⁸ Interview with Nuer speaker in Gambella in April 2020.

ORDERING THE DISORDER

Notably, on the Ethiopia side, both *ciewaw* and *ciecany* respondents find it relatively easy to describe the Jikow conflict as being community-based—between civilians—and how peacemaking has been able to proceed relatively more easily as a consequence, with more locally legitimate institutions such as the church and local administrative structures taking a lead:

“...and so church elders will convince the two parties, they will tell them we have to move forward. They will tell individuals whose relatives have been killed, leave your relatives because of the community, let us not break the unity of our community...Community unity is more important than individuals...Gaajak unity is more important, it is not individuals that are affected that are important.”²⁹

This was not the case on the South Sudanese side of the border, where the conflict was “under government authority” and involved military actors despite the local grievances that animated and mobilized the communities. In this instance, the community conflict resolution mechanisms present in Ethiopia do not apply: “Any fighting in South Sudan, all the people who were killed in clashes cannot be compensated because they fought on the side of the soldiers.”³⁰ Compensation payments therefore need to come from the military actors, who are less motivated by appeals to community unity: “Those people have different interests and are ... military minded, and everyone uses his own power, so local administration has limit in that context.”³¹

CONCLUSION

The number of “orders” present in this conflict can become bewildering to the outsider. On each side of the border there are multiple layers of politics at play, and a significant set of interactions between these different levels. Critical to understanding the different perspectives is recognizing the different places of the *ciecany* and *ciewaw* territories within South Sudan and Ethiopia’s political economy. Within Ethiopia these are remote, marginal areas of no major significance to the most influential national politicians. Within South Sudan the resources that flow through them, as both markets and administrative settlements—both domestically and internationally generated—contributes to a potentially existential threat to the state authorities, and have done for decades.

Within Ethiopia, current conflicts can be more comfortably framed as community conflict, something to be managed through locally led reconciliation and able to be managed before the escalation becomes too severe. But in the current South Sudan context, the stakes are much higher and the conflict is framed in terms of national military competition and the peace process itself. This has a significant effect in terms of not only how conflict develops, but also in terms of how it can be managed over the medium term.

Yet the underlying dynamics—and the resources—are fundamentally the same on each side of the border. If greater *order* is to be brought to the area, then it is critical that external actors seeking to influence events have a greater understanding both of the different forms of order at play, and how resources, including their own, interact with these orders. Seeing the events of Maiwut only in the

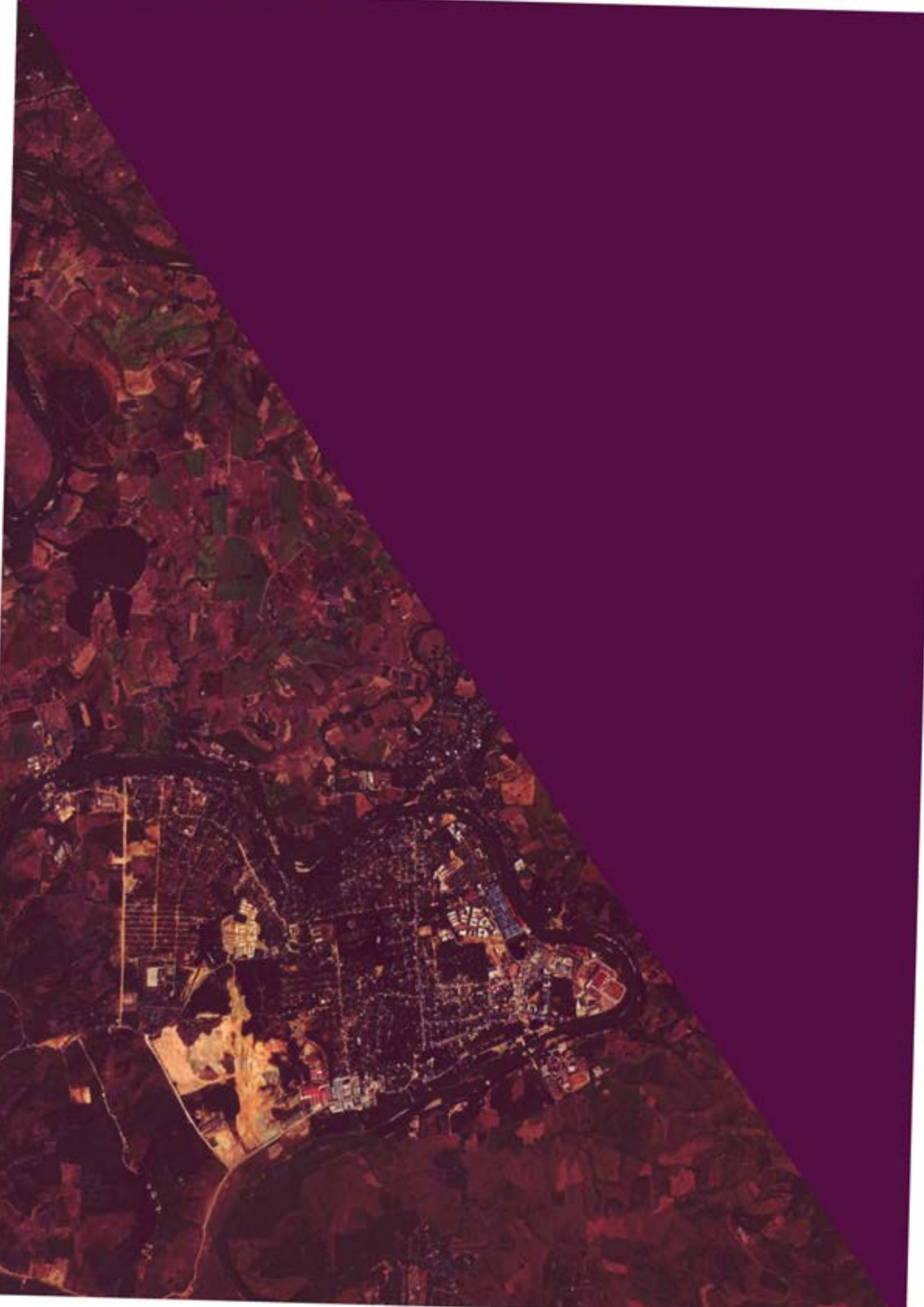
²⁹ Interview with Nuer speaker in Gambella in April 2020.

³⁰ Interview with Nuer speaker in Gambella in April 2020.

³¹ Interview with Nuer speaker in Gambella in April 2020.

context of South Sudan's national "political marketplace" reduces the local populations to being merely the pawns of the elites, failing to understand how their actions reflect their own agency in response to the many grievances that they hold against different actors, making use of the various cross-border resources available to them.

A comprehensive response to the Maiwut conflict would therefore have required a number of parallel, interlocking tracks that sought to simultaneously de-escalate elite political tensions within South Sudan, created a more equitable and legitimate local governance structure that met the needs of all local populations, enabled these populations' cross-border livelihoods strategies and fostered reconciliation using established, locally recognized mechanisms. While being a tall order, approaches that focus on only one of these elements, or that fail to recognize the cross-border dynamics at play, are doomed to failure in both the short- and long-term.



SHWE KOKKO, MYANMAR–THAILAND BORDER

MILITIA CAPITALISM AND ILLICIT DEVELOPMENT

Naw Betty Han

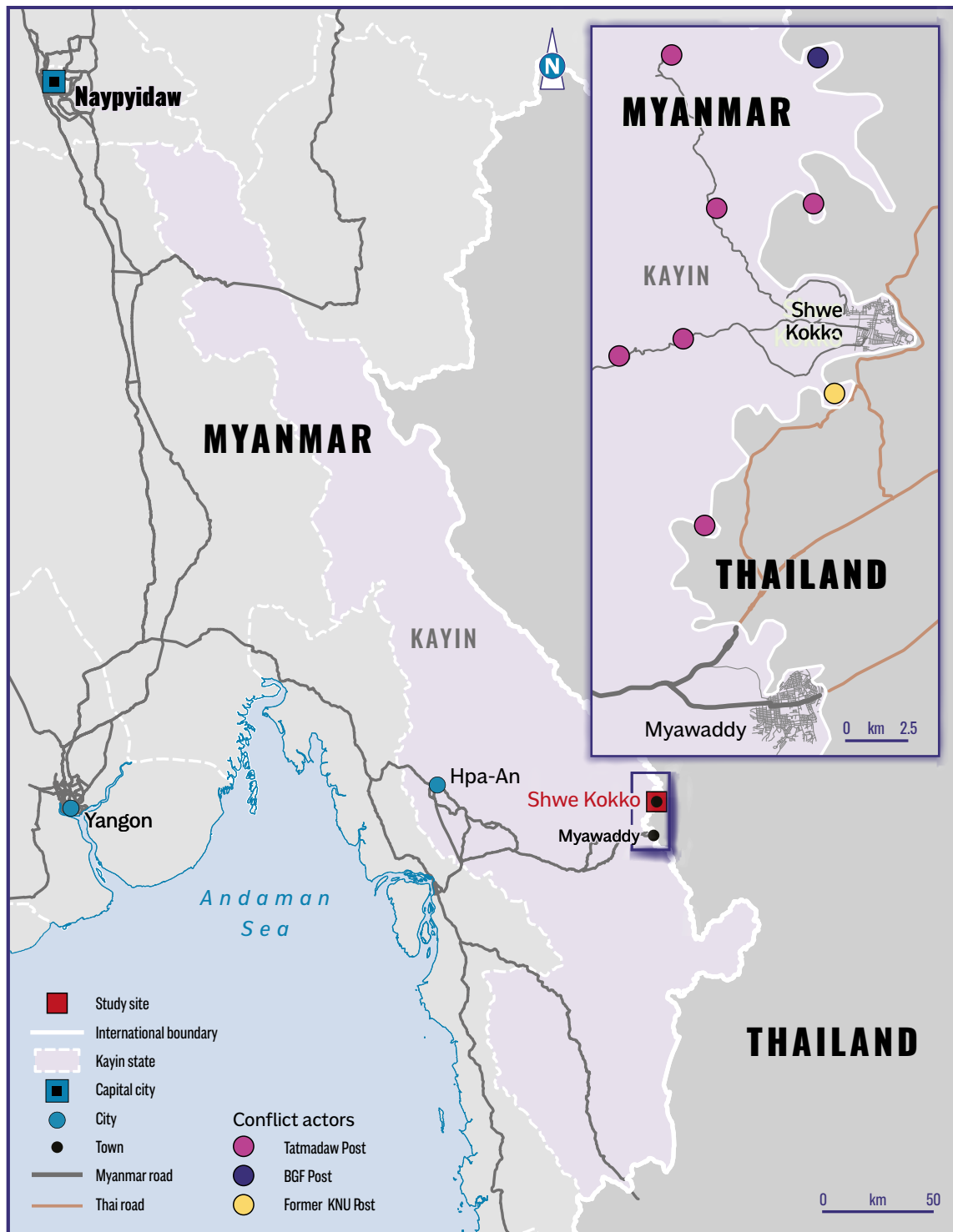
Myanmar's decades-long civil war has spun a complex web of conflicts between multiple armed actors, largely concentrated in contested ethnic minority border regions. Some areas in the borderlands have developed into enclaves under the control of local armed groups, far from the reach of the centralized state order and economic development programs that have prioritised central lowland areas. One such enclave, Shwe Kokko in Thailand-bordering Kayin State, has morphed from an outpost under the control of a small militia group dealing primarily in cross-border smuggling activities, into a multimillion-dollar business venture involving foreign investors and national elites. Shwe Kokko presents an important case study on how localized conflict management solutions in peripheral areas can enable armed actors to capitalize on opaque political settlements, allowing them to grow their business interests, perpetuating instability and marginalising local communities.

BACKGROUND

After decades of fighting dozens of ethnic armed organisations, Myanmar's military, known as the Tatmadaw, began pursuing bilateral ceasefires in the late 1980s. Several rebel groups entered into agreements in exchange for a range of economic benefits, including control over local lands and rights to extract natural resources. This form of mutually advantageous settlement between locally operating conflict actors can be characterised as 'ceasefire capitalism', a phenomenon where ceasefire zones are created, ostensibly to establish order and authority under state institutions. In reality, a local power-sharing arrangement is developed as nonstate armed groups are left in place, often with the autonomy to organise local political and security systems, pursue informal and illegal business interests, and extort resources from local populations. Political arrangements can remain contested, with issues around land ownership and control over local economic activity contributing to instability in the area and vulnerability of communities.¹

The Kayin State Border Guard Force (BGF), a militia that was formed from the splintering of a larger armed group, aligned itself with the Tatmadaw in 2010, formalising its control over a large area along the Thai-Myanmar border. The ceasefire agreement was a purely security-related settlement between

¹ Kevin Woods, 'Ceasefire capitalism: military-private partnerships, resource concessions and military-state building in the Burma-China borderlands' in *Journal of Peasant Studies*, 14 September 2011, pp. 747–770.



Source: Adapted from map in Karen Peace Support Network report

Base map data source: OpenStreetMap

© MAPgrafix 2022

Figure 7: Shwe Kokko city on the border of Myanmar and Thailand²

² Karen Peace Support Network (2020), Gambling Away Our Lands, <https://progressivevoicemyanmar.org/wp-content/uploads/2020/03/Gambling-Away-Our-Lands-English.pdf>.

two military actors and did not involve any democratically elected or civilian governance oversight. As a result, it remains thus far outside of wider national peace negotiations. Since signing the ceasefire, the BGF has grown its economic activity based on profits derived from local smuggling and illicit taxation activities at its border crossing points. The investment of these profits, and the group's position within the local Tatmadaw command structure allowed the BGF's legitimate business interests to flourish in Kayin State and across Myanmar.

THE SHWE KOKKO PROJECT

In 2017, the BGF initiated its most ambitious undertaking, a joint venture with the foreign-owned Yatai International Holdings Group called the Shwe Kokko 'new city' project. The site, in the heart of BGF-controlled territory, is 16km north of Myawaddy, Myanmar's second busiest border crossing for trade with Thailand.³ At an estimated cost of \$15 billion, the Shwe Kokko proposal combines an economic zone with the construction of a brand-new city on 73,000 hectares of jungle. Described as part of the wider Chinese Belt and Road Initiative, the plans boldly announce that within ten years Shwe Kokko will be the leading centre for science and technology in Myanmar.⁴ In 2018, an initial investment proposal of \$22.5 million was approved by the Myanmar Government and construction began.

From the start, local communities opposed the project, arguing that it brought no social or economic benefit to the wider area. Major discrepancies between the grand plans announced by the BGF and the much smaller investment proposal that was approved have led to accusations of insufficient transparency in the relationship between the investors and government authorities, and suspicion of Nay Pyi Taw-based actors at the highest levels turning a blind eye to rule-breaking and earning kickbacks. Local residents requested that the Kayin State Government investigate claims that construction had already exceeded the approved project scope, and that thousands of Chinese laborers had been brought in using the BGF's illegal border crossing to work on the site. As a result, the project's development and construction was halted as further enquiries were made.⁵ Claims that Shwe Kokko is part of Belt and Road expansion in Myanmar were refuted by Chinese representatives.⁶

Efforts by local journalists and analysts to document the project have also revealed an opaque web of national and international business interests with links to transnational crime. The main foreign investor is tied to failed ventures in Cambodia to set up illegal gambling sites catering to Chinese criminal gangs. Shwe Kokko's proposal to build casinos (which are illegal under Myanmar law) has alarmed local communities who fear that these will attract powerful criminals and gangsters, the same type of clientele seen in the notorious Golden Triangle gambling havens. Growing mobilisation of BGF forces to secure the Shwe Kokko site has nearby residents concerned about conflict reigniting between local armed groups. Kayin State has seen some of the bloodiest fighting in Myanmar's decades-long conflict, displacing several hundred thousand people, with many still living in precarious conditions today.

LOCAL IMPACTS AND BROADER CONSEQUENCES

The case of Shwe Kokko reveals the murkiness of relationships between Tatmadaw-aligned militia groups, the business entities they control, and Myanmar Government authorities. The organizational

³ Myawaddy's border trade was valued at \$304 million in January 2021, the third busiest border crossing by trade, after [Muse, on the border between Northern Shan State and China](#) (estimated value \$1.31 billion), and [Hteekhee, the border between Thanintharyi region and Thailand](#) (estimated value \$368 million).

⁴ Naw Betty Han, 'Shwe Kokko: A paradise for Chinese investment' in *Frontier*, 5 September 2019.

⁵ Jason Tower and Priscilla Clapp, 'Myanmar: Army Moves Against Chinese Crime Groups in Autonomous Zones', United States Institute of Peace, 26 January 2021.

⁶ Embassy of China in Myanmar, 'China supports Myanmar in handling the Shwe Kokko New City issue in accordance with laws and regulations' 25 August 2020.

status of the BGF is not rooted in any legal category, its existence allowed by the Tatmadaw to serve its own ends, which guarantees its ability to dominate the local economy and political landscape by force. Associated risks include a complete lack of accountability mechanisms for local communities around BGF activity, as well as the ability of the Tatmadaw to one day unilaterally decide to dissolve the militia group, which would have severe security implications for the local area. The existing agreement also keeps the BGF and the territory it controls outside of the remit of centralised state order, preventing local communities from accessing public services, justice processes, and mechanisms for political participation, while also stifling local economic growth.

The implications of this isolation are particularly grave for already vulnerable groups including internally displaced groups, women, and persons with disabilities. The rise of the BGF and the exorbitant sums of investment in Shwe Kokko have destabilised the local political economy, creating further challenges for dialogue. At this time, the possibility of reaching agreements on future legal, administrative, and governance scenarios remains remote, as the military is incentivized to retain the BGF as a local enforcer, and the BGF is incentivized to remain loyal to the Tatmadaw in order to retain its lucrative economic activities. There is no clear pathway from this situation toward future disarmament or participation in national-level peacebuilding discussions.

CONCLUSION

The development of Shwe Kokko tells the story of mutually advantageous settlements between military actors operating in Myanmar's contested periphery. Efforts to create political and military stability in the area resulted in forms of economic and security order, while perpetuating disorder and instability amongst local communities. This has led to a complex conflict reality in which rebel groups trade military power for a veneer of legitimacy behind which they can build and maintain economic control. Following the February 2021 military coup, there is a greater risk that the Tatmadaw will continue to pursue opaque political settlements as it seeks to establish its control over the country. The military regime appears to be reversing some of the steps taken by the previous democratic government to establish transparency, and construction at Shwe Kokko has been allowed to restart. New revenue arrangements show a greater share of profits diverted to the Tatmadaw. Meanwhile, the BGF is supporting increased repression of Karen communities, particularly around anti-coup resistance.⁷

Shwe Kokko mirrors similar developments in contested borderlands across the world, where security settlements between armed actors in areas far from centralised state order lend themselves to the spread of illegality and informality, challenging the establishment of peaceful and prosperous conditions for local communities. This method of conflict management in Myanmar does not directly lead to improved government control over border areas. It can instead risk perpetuating criminal activity and harm to local populations, as well as limiting the possibility for future integration into national peacebuilding agendas.

Despite being powerful actors in Myanmar's conflict landscape, militia are often left out of discussions around development, peacebuilding and support to conflict-affected populations. National and international aid actors should recognise the disconnect between these groups and centralised state institutions as well as the separate political economy that exists in these areas.

The kinds of ceasefire economies described in this case study are shaped by vested interests. Transforming them to become transparent, connective and inclusive is challenging but a vital step toward local communities' empowerment and possibilities for future peace.

⁷ 'With conflict escalating in, Karen BGF gets back to business', in *Frontier*, 13 May 2021.



Rift Valley Institute
MAKING LOCAL KNOWLEDGE WORK

