systems. Such is not the case, and it would have been helpful for them to have explained why. Socialist monetary systems suffer chronic but hidden financial imbalances. Central planners direct resources to inefficient uses, using the financial system as a means of enforcing their dictates. When banks and other state enterprises act inefficiently, they do not go bankrupt, transferring control of their assets to better managers. Rather, consumers bear the consequences of their mistakes. The results are pervasive shortages of consumer goods, occasional monetary “reforms” that confiscate part of households’ financial wealth, and exchange controls that make the currency almost useless for buying foreign goods.

To repeat, the book should be judged more by what it does than by what it fails to do. *This Time Is Different* changes the way we can study financial crises. It is the start of a truly comprehensive approach to the subject. It supplements the shrewd insights of previous researchers such as Charles Kindleberger (author of the popular and influential *Manias, Panics, and Crashes*), who had much less data to work with. It adds new ideas that will be useful for gauging the risk of future crises and perhaps even reducing their impact, if investors and policymakers are willing to learn from other people’s mistakes, not just their own mistakes.

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**Afghanistan: A Cultural and Political History**
Thomas Barfield

In the Western mind, Afghanistan conjures up a rugged land of fractious, tribal people. From Alexander the Great and Genghis Khan, to Tamerlane and Mughal emperor Babur, virtually no conqueror has escaped “the graveyard of empires” unscathed. Even modern, industrial empires—the British and the Russian—suffered heavy losses. Why have foreign attempts to conquer Afghanistan proved so ineffective? Why did the U.S. invasion fail to bring stability?

In his extraordinary book, *Afghanistan: A Cultural and Political History*, Boston University anthropology professor Thomas Barfield approaches these questions by examining changing notions
of power and political legitimacy. One of the foremost authorities on Afghanistan, Barfield has conducted extensive ethnographic fieldwork since his first visit over 40 years ago. His deep knowledge brings clarity to a frightfully complicated region that has been and will continue to be of extraordinary importance to policy debates.

Scholarly experts in search of an exhaustive reference to the region and those seeking an introduction to the ins and outs of Afghan history will find this book of interest. There are plenty of useful references, indices, and detailed maps of key architectural regions, nomadic migration routes, and distribution patterns of various ethnic groups. Readers will also gain valuable insight on *qawm*, a fluid and expandable genealogical concept of identity. Loyalty to one’s tribe or ethnic group is often contextual, making political boundaries and societal structures ambiguous. Because notions of identity are more descriptive than operational, an ethnographic study of the country, which this book provides, is perhaps the most fruitful way to explore what systems of governance were most popularly accepted.

Barfield begins by applying analytical tools developed by 14th century Arab philosopher Ibn Khaldun. In his work, *Muqaddimah*, Ibn Khaldun considered how people from the deserts, steppes, mountains, and other geographically marginal areas became ruling dynasties in the Middle East and North Africa. He attributed their success to a strong sense of group solidarity that was lacking in urban areas where people were bound together largely by economic ties and formal government institutions.

Barfield applies Ibn Khaldun’s model of political organization to Afghanistan’s marginal groups, the most important being the Ghilzai tribes to the east and south of Kabul, and the Tajik Kohistanis of the plains and mountains north of Kabul. Barfield finds that despite the military strength of these rural peasants and tribal mountaineers, gaining power and legitimacy was never easy. These groups had strong cultural predispositions toward equality that made it difficult for a leader to consolidate political power. Furthermore, leaders found their positions precarious amid intense competitions for power among rival tribes. As a result, power once gained would devolve back to regional leaders.

Beginning in the 10th century, the premodern Turko-Persian rulers who founded nearly all of the dynasties from modern Turkey to northern India legitimated their authority by imposing direct
rule in urban areas and indirect rule in poor subsistence areas. During this time, modern-day Afghan territories were merely peripheral parts of powerful regional empires centered in Persia, India, and Central Asia. These were either independent kingdoms ungoverned by a central power, or locally autonomous principalities that paid tribute to a political center.

For example, Herat and the west of present-day Afghanistan were tied culturally and politically to Persia; Kandahar and the south shifted between Persia and India; Central Asia dominated Balkh and the north; and in the east, the Afghan capital rotated between Kabul, Afghanistan’s modern capital, and Peshawar, situated in present-day Pakistan. The Afghans eventually lost Peshawar to the Sikhs in 1834. To this day, no Afghan government has accepted the legitimacy of the so-called Durand Line dividing Afghanistan and Pakistan.

In 1747, following the decline or collapse of those regional empires, Afghanistan reverted to a feudal structure under the military prowess of Ahmad Shah Durrani. Until his death in 1772, his kingdom encompassed all of modern-day Afghanistan, extended to Baluchistan and Iranian Khorasan, and included the former Mughal territories of Sindh, Punjab, and Kashmir. The Durrani dynasty, albeit through different sub-tribes, was to rule Afghanistan until 1978. Afghans have come to regard Ahmad Shah as the “Father of the Nation,” and his elite Pashtun lineage henceforth called themselves Durrani, as opposed to their Pashtun Ghilzai rivals.

Although Ahmad Shah was able to earn the political allegiance of various tribes, his kingdom was more a constellation of independent fiefdoms than anything approaching a cohesive nation state. According to Barfield, an empire’s frontiers traditionally were where the population and revenue stream thinned out. By contrast, the Durrani Empire derived its greatest sources of revenue from the territories it never directly controlled, what Barfield calls “a coat worn inside out” (p. 99). This structure restricted Ahmad Shah’s ability to consolidate his conquests. Additionally, Ahmad Shah allowed his enemies to govern their territories like vassals, enabling them to maintain their local base of support. Consequently, remote provinces were never fully incorporated during his lifetime and they gradually withdrew after he died.

Durrani’s son, Timur, lost control of the fragile kingdom after he failed to name an heir. After his death, the region was gripped by
a series of fratricidal wars among patrilineal cousins (*tarburwali*): Zaman Shah came to power in 1793, until his brother, Shah Mahmud, blinded him and gained control. Shah Mahmud reigned to 1800, until another brother, Shah Shuja, deposed him in 1803.

In 1809, the year Elphinstone arrived in Peshawar, Shah Mahmud, who had been deposed in 1803, and Fatih Khan, from the Barakzai tribal lineage, gained power. But the two eventually had a falling out, and in 1818, Shah Mahmud had Fatih Khan blinded and cut into pieces. Once again the region devolved into an intense competition that further fractured the empire. Amid the anarchy, Fatih Khan’s brother, Dost Muhammad, unseated Shah Mahmud and declared himself amir in 1826.

Unluckily for Dost Muhammad, by the early 19th century Afghanistan had a magnetic attraction for Western conquerors—not for the country’s wealth but for the access it provided to more prosperous regions and to regional trade routes. The Russian empire pushed south through Central Asia. The British, who pushed north from the Indus Valley, sought to extend their influence into Afghanistan and establish the country as a buffer state; however, that ostensibly passive approach produced an expansionist strategy.

The British plan was to depose Dost Muhammad and replace him with Shah Shuja. But upon Shah Shuja’s return to Kabul in August of 1839, he was received without popular support. Even worse, Afghans began to view his government as a cloak for rule by foreign infidels. By 1840, locals thought the British presence overbearing.

Barfield provides valuable evidence of how the British occupation upset traditional standards of Afghan legitimacy. Before the British, Afghan rulers showered local chiefs with funds and land grants. This powerful patronage network was the glue that held the system together. The British, however, viewed these arrangements as thoroughly corrupt and in need of reform. They abolished the system of redistributive allowances, increased the power of the central government, and reduced the autonomy of local chiefs.

As well, the British occupation had unintended consequences. Foreign money, subsidies to Afghan rulers, and a banking system to pay for the occupation combined to create a new set of winners and losers. As Barfield writes, “It undermined the social and political standing of those whose influence was based on feudal obligations to the state, or who owned underproductive landed estates” (p. 120).
Barfield writes that this reorganization of the state and its finances would forever alter the dynamic between Afghan rulers and their society. It would also make the British position in Afghanistan less secure.

Amid growing resentment toward the foreign military and political presence, in October 1840 the British reduced the stipends to Ghilzai chiefs in the east who commanded the Kabul-Peshawar road. The Ghilzai promptly retaliated by closing the road to Peshawar. During negotiations for an Anglo-Afghan truce, the Afghans mutilated and displayed the headless body of the British interlocutor. By January, a treaty for the safe passage of the British forces back to India was finally concluded, but amid freezing winter conditions and under heavy fire from tribes along the pass, the British retreated in disorder.

In June 1843, Dost Muhammed retook the throne. But when he died in 1863, he left behind 27 sons and 25 daughters born to 16 wives, setting the stage for yet another bloody competition for the empire. Dost Muhammed’s third son from his favorite wife, Sher Ali, soon took power. But in 1866, Sher Ali’s brothers, Muhammad Afzal and Muhammad Azam, joined forces against him and Muhammad Afzal became amir. After his death a year later, Afzal was replaced by his brother, Muhammad Azam. Then, in 1868, after Sher Ali’s son, Muhammad Yaqub Khan, took Kandahar from Muhammad Azam’s son, Sher Ali returned to Kabul and ruled for the next 10 years.

Renewed British concern over Russian advances in the east prompted the British to occupy Jalalabad in January 1879. But once again, the imposition of direct foreign rule provoked regional revolts, and much like the first Anglo-Afghan War, the British were outmaneuvered. By this time, Brits back in London coined the term “Afghanistanism,” for those who exaggerated the significance of events in distant and obscure places (p. 311). Early in 1880, finding the occupation of Afghanistan financially crippling and supply lines continually harassed by local tribes, the British opened negotiations with Sher Ali’s nephew, Abdur Rahman, who had recently returned to Afghanistan from a 12-year exile in Tashkent.

Amir Abdur Rahman, known as the “Iron Amir,” came to believe that a centralized state and a European-style military would better suppress the tribal uprisings that had driven the British from power. To avert similar attempts to unseat him, the Iron Amir
ruthlessly eliminated autonomous regional leaders, their feudal clients, and tribal and ethnic opponents. Furthermore, depending only on British subsidy, the amir refused foreign offers to construct railways and telegraph lines, fearing that any economic or transport development would make the country vulnerable to outside interference. Such a strategy was like “eschewing the acquisition of wealth because it might attract thieves” (p. 153). Indeed, by the turn of the 20th century, the only factories in the country were government-owned workshops.

Barfield finds that the amir’s dependency on foreign patronage and his centralization of the Afghan state left behind a ruinous legacy for the country and its people. First, funding a state administration and a national army required heavily extractive policies for tax collection. But raising revenue risked rebellion. That reality encouraged Rahman and future Afghan rulers to rely on foreign revenue sources as a way to avoid political conflict with their own people, a dynamic that undercut Afghan sovereignty and the legitimacy of its rulers.

Second, as Barfield writes, centralization came to distort Afghanistan’s “climax state”: what ecologists call “a self-perpetuating stable relationship among species in which the community is in equilibrium” (p. 162). When some outside force destroys or disrupts the climax among species, a series of transitory communities succeed one another until the old climax state is restored; for Afghanistan, a political center dominating distinct regions disrupted its natural equilibrium, thus sowing the seeds for perpetual conflict. However, as a consequence of wars with the British, Barfield writes that Rahman’s centralized power would be the standard by which his successors judged themselves. Consequently, after his death in 1901, successive rulers who tried to retain Rahman’s legacy would either die violently while in power or be driven into exile.

For the next century, the most contentious issues between the Afghan state and society were policies concerning the rights of women, conscription, marriage customs, and secular education, issues deeply rooted in Afghan cultural values and the social framework of Islam. Beginning in 1919, King Amanullah, who styled himself a “revolutionary ruler,” made repeated attempts to reform the Afghan state. The Ataturk-style modernist demanded Afghans wear Western-style suits and hats in government precincts in Kabul. He changed the Friday weekly holiday to Thursday. And
he pushed to end the seclusion of women and abolish the veil. The pace of his reforms proved far too fast for the country to absorb, and he was overthrown in a coup in 1929.

But almost unique in Afghan history, under King Zahir Shah the country would enjoy its most prolonged period of prosperity and internal stability. Beginning in 1933, the monarchy successfully balanced a fairly secular legal system, supported by the urban middle class, with consultative meetings (jirgas) representative of rural communities and tribes—a power dynamic that the Afghan people broadly accepted as legitimate. Nevertheless, even this golden age endured several secessionist struggles, including the Safi Rebellion (1945–46), a Pashtun revolt in Kandahar (1959), and an Islamist uprising in the Panjshir Valley (1975). In the last 10 years of his rule, Zahir Shah became a figurehead taking orders from his uncles and his cousin, Muhammad Daud. Zahir Shah's relatively peaceful reign was cut short in 1973, when Daud ousted the monarchy in a coup.

According to Barfield, each succeeding regime after 1973 would have a weaker claim to political legitimacy in the eyes of ordinary Afghans. Such regimes compensated by resorting to force to maintain their authority. Under Daud's Communist government, led by the People's Democratic Party of Afghanistan (PDPA), Kabul-based modernists pressed secular reforms onto the conservative rural majority. This vanguard party leading a proletariat revolution would fatally compromise its own legitimacy, as these rulers failed to realize that issues they considered purely economic had social components, some affecting such basic values as family honor.

After Daud's assassination in 1978, these social reforms would grow even more intrusive. Under the presidency of Nur Muhammad Taraki, Soviet political advisers seized private property, mandated freedom of choice within marriage, and instituted compulsory literacy programs that demanded attendance of young, unmarried men and women together in mixed classes. Resistance to the PDPA programs spread nationwide, and when the Kabul regime began to disintegrate under the weight of its progressive reforms, the Soviet Union intervened.

The Soviets invaded on December 27, 1979, unwilling to accept the collapse of a socialist government. Rather than restoring order, the invasion provoked widespread resistance. A coalition of
Afghan parties, as well as Islamists based in Pakistan with access to American arms and Saudi money, resisted the Soviet invasion. After the Soviets withdrew in 1989, Afghanistan devolved into a violent competition for power among regional strongmen (warlords) and rival factions of the mujahideen (Islamic “holy warriors”). By September 1996, a Pashtun-dominated movement known as the Taliban rolled into Kabul, and eventually took control of three-quarters of the country.

According to Barfield, the Islamic fundamentalist regime based its right to rule on religion, with its leader, Mullah Omar, proclaiming himself the Commander of the Faithful. Because Islamic belief is so tightly intertwined with Afghan tribal customs, the ability of the Taliban to command political legitimacy and restore order carried more weight. Still, its government was brutally repressive. The Taliban banned all forms of entertainment, drove women from the public domain, and imposed harsh punishments, “including the amputation of hands for thieves, collapsing mud walls on top of homosexuals, and stadium-style public executions for murderers and women caught in adultery” (p. 262).

Following the terrorist attacks on the United States on September 11, 2001, the U.S.-led invasion of Afghanistan expelled the al Qaeda network and the Taliban regime that harbored it. Barfield reminds readers that the arrival of the United States marked the fourth time in 160 years that a foreign power put troops in the country. However, “while the British in the nineteenth century invaded with plans to replace the existing regime, and the Soviets invaded in the twentieth to preserve the one they supported, the United States invaded Afghanistan at a time when the state structure had ceased to function” (p. 272).

Starting essentially from scratch, the Bonn Agreement, signed in December of 2001, established an interim government based on the 1964 constitution. However, Barfield explains, in its haste, the international community restored a Kabul-centered government run by a Kabul-based governing elite—a highly centralized government like the one imposed by Abdur Rahman.

The weakness of this model became apparent soon after interim leader, Hamid Karzai, took power. The appointment of governors, the right to taxation, and the provision of government services were all monopolies of the central government—a system that incentivized the creation of an all-powerful strongman. Accordingly, Karzai
established a network of personal clients bound to him. Meanwhile, foreign government officials, who often worked exclusively with urban, Kabul elites, had failed to realize how shallow the support for their policies was in the periphery. Over the years, as Karzai cultivated his patronage clique, the international community became more focused on process (constitution and elections) and institution building (ministries, courts, and police) rather than on Karzai’s quality of leadership and actions. In determining why the U.S. invasion failed to bring stability to Afghanistan, it becomes quite clear: the government that the international community put in place had wedded Afghanistan to its failed past.

After reading Barfield’s comprehensive study of this diverse and complex land, readers come to understand the difficulties that foreign and domestic rulers have encountered in their attempts to bring order to Afghanistan. As in any country, rulers must be cognizant of local politics as those politics are recognized by locals. This approach may appear to be self-evident, and even uncomplicated, but achieving that level of political legitimacy has historically proved elusive. Foreign attempts to conquer Afghanistan show why victory in war does not always guarantee political success. The tragedy for the Afghans, as Barfield somberly notes, is that successful resistance to foreign occupiers has made Afghanistan ungovernable for the Afghans themselves.

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The Ideological Origins of American Federalism
Alison LaCroix

As has often been the case in American history, federalism is once again a major focus of political debate. Numerous recent political conflicts focus at least in part on the constitutional balance of power between the states and the central government. The lawsuits challenging the recently passed Obama health care plan, the federal bailout of state governments during the current economic crisis, and the conflicts over social issues such as medical marijuana and assisted suicide are just a few of the more prominent examples.

Alison LaCroix’s new book traces the modern debate over federalism back to its 18th century origins. In a fascinating analysis,