

Afghanistan as a Trans-Regional Economic Connector: A Systematic Literature Review of ECO, SAARC and CAREC Cooperation in Central and South Asia

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Abstract

Afghanistan occupies a distinctive geographical position at the intersection of Central Asia, South Asia, West Asia and the wider Eurasian region. Although its landlocked geography has traditionally been regarded as a structural disadvantage associated with high transportation costs, dependence on neighbouring transit countries and restricted access to international markets, its location simultaneously provides significant potential for regional economic connectivity. Afghanistan's participation in multiple regional cooperation frameworks—including the Economic Cooperation Organization (ECO), the South Asian Association for Regional Cooperation (SAARC), and the Central Asia Regional Economic Cooperation (CAREC) Program—offers an important institutional basis for transforming this geographical position into economic opportunity. However, existing scholarship remains fragmented across separate literatures on South Asian regionalism, Central Asian connectivity, infrastructure development, energy cooperation and Afghanistan's post-conflict reconstruction. This study therefore undertakes an integrative literature review of Afghanistan's role within ECO, SAARC and CAREC, focusing on trade, transport, energy, investment, economic corridors, institutional capacity and geopolitical constraints. The review synthesizes peer-reviewed academic literature and authoritative publications from international and regional institutions and develops a structured literature matrix to identify dominant themes, methodological approaches and research gaps. The findings indicate that the three frameworks provide differentiated but potentially complementary forms of regional cooperation. ECO offers a broad trans-regional institutional platform connecting Central, South and West Asia; SAARC provides Afghanistan with institutional access to South Asian markets but is constrained by political rivalry and weak regional integration; and CAREC provides the strongest project-oriented mechanism for transport infrastructure, trade facilitation, energy connectivity and economic corridors. The review further identifies a persistent implementation gap between regional cooperation commitments and actual

economic integration. Security instability, weak institutions, inadequate infrastructure, border and customs constraints, geopolitical competition and limited private-sector participation restrict Afghanistan's ability to convert geographical centrality into sustained economic benefits. Based on the synthesis, the article develops a Trans-Regional Connector Perspective, arguing that Afghanistan's regional economic significance derives not from exclusive membership in one regional institution but from its position at the intersection of multiple cooperation regimes. The review contributes by integrating previously fragmented ECO, SAARC and CAREC scholarship and by conceptualizing institutional overlap as a potential source of economic connectivity rather than merely institutional duplication. The article concludes by identifying future research opportunities concerning post-2021 regional economic diplomacy, corridor-level economic impacts, digital trade facilitation, energy integration, private-sector participation and the relationship between economic interdependence and regional stability.

Keywords: Afghanistan, Regional Economic Cooperation, Eco, Saarc, Carec, Central Asia, South Asia, Regional Integration, Economic Corridors, Connectivity, Trade, Energy

Introduction

Regional economic cooperation has become increasingly important in explaining the economic transformation of landlocked and developing economies. In contrast to traditional approaches that view regional integration primarily through tariff reduction and preferential trade agreements, contemporary regionalism increasingly emphasizes infrastructure connectivity, trade facilitation, energy networks, transport corridors, investment and institutional coordination. This broader conception of regional integration is particularly relevant to Afghanistan, whose economic geography differs substantially from that of conventional regional powers.

Afghanistan is landlocked but geographically central to several major regional economic spaces. It shares borders with Central Asian states to the north, Pakistan and South Asia to the east and south, and Iran and the wider West Asian region to the west. China also has a direct but geographically limited border with Afghanistan. Consequently, Afghanistan occupies a geographical position through which multiple regional systems potentially intersect.

The paradox is therefore clear. Afghanistan's geography produces substantial economic disadvantages because the country depends on neighbouring states for access to seaports and international markets. At the same time, precisely because Afghanistan is situated between Central Asian resource producers and South Asian consumer markets, it possesses potential value as a transit and connectivity economy.

Gleason et al. (2009) argue that Afghanistan's reconstruction cannot be understood exclusively through a domestic framework because its reintegration depends on trans-border infrastructure involving trade, transport, communication, water, power and investment. Their analysis consequently places regional economic cooperation at the centre of Afghanistan's reconstruction process.

Destradi (2015) develops a complementary but more critical interpretation. She conceptualizes Afghanistan as being situated at the core of overlapping regions, including

South Asia, Central Asia, the Middle East and, through China's influence, East Asia. According to this perspective, regional overlap does not necessarily produce cooperation because the regions surrounding Afghanistan are themselves characterized by competing security and geopolitical dynamics.

This tension between geographical opportunity and geopolitical constraint provides the central starting point for the present study.

Afghanistan's participation in three regional cooperation mechanisms is particularly important.

First, Afghanistan joined the Economic Cooperation Organization (ECO) in 1992. ECO expanded substantially that year when Afghanistan and six former Soviet republics joined Iran, Pakistan and Türkiye. Its geographical scope consequently connects South Asia with Central and West Asia. The organization provides a framework for cooperation in trade, transportation, energy, investment and economic development.

Second, Afghanistan became the eighth member of the South Asian Association for Regional Cooperation (SAARC) in 2007. Its accession formally embedded Afghanistan within the South Asian regional institutional structure. However, scholarship on SAARC has repeatedly emphasized the organization's limited economic integration, political tensions and implementation problems. Ahmed and Zahoor's assessment of Afghanistan's accession identifies both opportunities and challenges arising from its membership.

Third, Afghanistan became a member of the Central Asia Regional Economic Cooperation (CAREC) Program in 2005. CAREC is distinct from conventional regional organizations because it has a strong project-oriented focus. It has historically concentrated on transport, energy, trade policy and trade facilitation, while CAREC 2030 expanded its agenda to economic and financial stability, trade and economic corridors, infrastructure and connectivity, agriculture and water, and human development.

The CAREC experience is particularly relevant to Afghanistan because the program directly addresses the structural constraints associated with landlockedness. CAREC has supported transport and energy connectivity and has treated Afghanistan as part of a network connecting Central Asian economies with South Asian markets. Earlier CAREC investments included road, railway and electricity projects in Afghanistan, while later initiatives have increasingly emphasized economic corridors and trade facilitation.

Yet substantial questions remain. Does membership in these organizations actually improve Afghanistan's economic integration? Are ECO, SAARC and CAREC complementary or overlapping? Which framework provides the greatest contribution to Afghanistan's regional economic role? And, most importantly, can Afghanistan transform itself from a landlocked peripheral economy into a land-linked trans-regional connector?

These questions remain insufficiently addressed in an integrated manner.

Research Problem

Existing scholarship on Afghanistan and regional cooperation remains fragmented across different academic and policy domains. One stream examines Afghanistan's role in South

Asian regionalism, particularly through SAARC, while another focuses on Central Asian connectivity, trade, and economic relations. A further body of research examines infrastructure development and economic corridors through CAREC, alongside studies addressing energy connectivity through regional electricity and gas projects. Another strand focuses on Afghanistan's broader geopolitical position and the political and security challenges affecting regional cooperation. Although these streams provide valuable insights, there remains limited systematic synthesis of ECO, SAARC, and CAREC from an Afghanistan-centred perspective. This gap is particularly important because Afghanistan's strategic economic role is inherently trans-regional and cannot be adequately explained through either a purely Central Asian or purely South Asian framework. The literature therefore requires an integrated analytical approach that examines the interaction and potential complementarities among regional institutions rather than evaluating each framework in isolation. A useful next step is to position this institutional interaction explicitly as the central research gap and foundation of the review.

Research Objectives

This study has four objectives:

1. To critically review existing literature on Afghanistan's participation in ECO, SAARC and CAREC.
2. To examine the contribution of these frameworks to Afghanistan's trade, transport, energy, investment and economic connectivity.
3. To compare the institutional strengths, limitations and complementarities of ECO, SAARC and CAREC.
4. To identify theoretical and empirical gaps and develop a future research agenda concerning Afghanistan's role as a trans-regional economic connector.

Literature Review

Regional Integration and Economic Cooperation

Regional integration has traditionally been conceptualized as a process through which neighbouring countries reduce barriers to trade and coordinate economic policies. Balassa (1961) distinguished several stages of economic integration, ranging from free trade areas and customs unions to common markets, economic unions, and complete economic integration. However, this conventional model is not entirely appropriate for understanding regional cooperation in Central and South Asia, where regionalism is characterized by relatively weak institutionalization, persistent political tensions, substantial infrastructure deficits, diverse levels of economic development, and considerable differences in national interests. Consequently, regional cooperation in these regions often occurs through a more functional and issue-specific form of integration rather than through comprehensive economic integration. Functional integration involves cooperation in specific areas such as transport, energy, customs, trade facilitation, investment, water management, logistics, and infrastructure development. The Central Asia Regional Economic Cooperation (CAREC) Program represents an important example of this approach. Rather than attempting to establish a supranational economic union, CAREC has concentrated on practical cooperation, infrastructure investment, policy coordination, and the development of regional connectivity. The Asian Development Bank (ADB) characterizes CAREC as a partnership that promotes regional development through practical, results-oriented projects and policy initiatives. This approach is particularly relevant to Afghanistan because infrastructure constraints, limited

connectivity, high transportation costs, and weak trade facilitation mechanisms remain major barriers to the country's effective participation in regional and international markets. Therefore, regional economic cooperation for Afghanistan may be better understood not through the traditional stages of economic integration proposed by Balassa (1961), but through a functional approach in which cooperation in infrastructure, transport, energy, customs, and trade facilitation gradually creates the conditions for deeper economic integration.

Afghanistan's Landlockedness and Regional Connectivity

Landlockedness is widely recognized as a structural disadvantage for developing economies because landlocked countries depend heavily on neighbouring transit states to access international markets and maritime trade routes. Such dependence can result in higher transportation costs, longer delivery times, increased transaction costs, and greater vulnerability to political or logistical disruptions in transit countries. Afghanistan faces these constraints directly because it has no access to the sea and consequently depends on neighbouring countries, including Pakistan and Iran, for access to international maritime trade routes. Nevertheless, landlockedness does not necessarily imply permanent economic isolation. Regional infrastructure development, efficient transit arrangements, trade facilitation, and cross-border economic cooperation can transform geographical constraints into opportunities for regional connectivity. This is the underlying logic of economic corridors, which extend beyond the construction of individual roads or railways by integrating infrastructure, logistics, trade, investment, markets, border institutions, and regulatory arrangements into interconnected economic systems. Consequently, the economic value of Afghanistan's geographical position depends not simply on its location but on the extent to which regional networks can effectively connect the country with neighbouring economies and international markets. ESCAP (2015) identifies energy trade, transit trade connecting Central Asia and South Asia, and trade among border communities as important opportunities for strengthening Afghanistan's economic relations with Central Asia. At the same time, the literature highlights significant tariff and non-tariff barriers, transportation constraints, weak border infrastructure, and institutional challenges that limit the realization of these opportunities. This creates a fundamental paradox in the literature: Afghanistan possesses considerable geographical potential for regional connectivity, yet its realized economic connectivity remains comparatively limited. The challenge is therefore not simply to overcome Afghanistan's landlockedness but to transform its geographical position into a form of land-linked economic integration through regional infrastructure, institutional coordination, and efficient cross-border economic networks.

Afghanistan and ECO

The Economic Cooperation Organization (ECO) is particularly important in understanding Afghanistan's regional economic position because its geographical membership extends across conventional regional boundaries and connects Central Asia, South Asia, and West Asia. Afghanistan's participation in ECO provides institutional access to a diverse group of economies, including the Central Asian republics, Iran, Pakistan, and Türkiye, thereby creating opportunities for trade diversification, transit cooperation, energy exchange, investment, and regional economic coordination. The geographical diversity of ECO is particularly significant for Afghanistan because it provides an institutional platform through which the country can engage simultaneously with Central Asian, South Asian, and West Asian markets rather than

relying exclusively on a single regional economic space. In this sense, ECO contributes to the possibility of developing multiple trade and transit routes and may strengthen Afghanistan's strategic position within the broader Eurasian economic geography. Nevertheless, ECO also illustrates the limitations associated with broad institutional membership. The existence of common objectives relating to trade, transportation, energy, and economic cooperation does not necessarily translate automatically into higher levels of intra-regional trade or effective economic integration. The literature on regional cooperation therefore highlights an important distinction between institutional participation and economic effectiveness. For Afghanistan, this distinction is particularly relevant because ECO provides political dialogue, economic cooperation, transport coordination, energy cooperation, and opportunities for trade and investment, but the realization of these opportunities depends heavily on national governments, infrastructure development, customs capacity, regulatory coordination, political stability, and security conditions. Accordingly, ECO's contribution to Afghanistan should primarily be understood as an institutional enabling framework that creates opportunities for regional economic engagement rather than as a mechanism that automatically guarantees deeper economic integration.

Afghanistan and SAARC

Afghanistan's accession to the South Asian Association for Regional Cooperation (SAARC) in 2007 was strategically significant because it expanded the organization's geographical reach westward and formally incorporated Afghanistan into the institutional framework of South Asian regional cooperation. Ahmed and Zahoor (2018) observe that Afghanistan's membership has received relatively limited scholarly attention despite its importance for the geographical and institutional expansion of SAARC. Membership provides Afghanistan with several potential economic and political benefits, particularly in relation to market access, trade cooperation, political engagement, and regional development. South Asia contains some of the world's largest and fastest-growing consumer markets, particularly India and Pakistan, creating significant potential opportunities for Afghan exporters and businesses. Through the South Asian Free Trade Area (SAFTA), SAARC also provides an institutional framework for regional trade liberalization and greater economic interaction among member states. In addition, membership provides Afghanistan with a regional diplomatic platform through which it can participate in discussions concerning economic cooperation, development, connectivity, and shared regional challenges. However, the literature also identifies substantial limitations affecting the effectiveness of SAARC. One of the most significant constraints is the broader political relationship between India and Pakistan, whose bilateral rivalry has repeatedly affected the functioning and progress of regional cooperation within SAARC. Consequently, Afghanistan's ability to benefit from deeper South Asian economic integration is partly dependent on political relationships among other member states over which Afghanistan has limited influence. This creates an important structural tension in Afghanistan's regional economic strategy: the country's economic incentives to strengthen South Asian integration may be considerably greater than the institutional capacity of SAARC to deliver those benefits. The case therefore demonstrates the distinction between regional demand for integration and regional institutional capacity, with Afghanistan possessing strong incentives for regional economic connectivity while operating within an institutional environment constrained by political divisions and limited implementation.

Afghanistan and CAREC

CAREC is arguably the most directly relevant regional cooperation framework for Afghanistan's physical economic integration because of its strong emphasis on infrastructure, transport, energy, trade policy, and trade facilitation. Established in 1997, CAREC has developed into a major regional partnership involving 11 countries and supported by international development institutions, particularly the Asian Development Bank. Its traditional areas of cooperation have included transport, energy, trade policy, and trade facilitation, while the CAREC 2030 framework subsequently expanded the agenda to include economic and financial stability, trade and economic corridors, infrastructure and connectivity, agriculture and water, and human development. The CAREC model differs substantially from the more traditional intergovernmental approach associated with SAARC because it emphasizes practical investments, project implementation, policy coordination, and development-oriented cooperation. This distinction has significant implications for Afghanistan, where infrastructure and connectivity constraints represent some of the most important barriers to regional economic participation. CAREC-related initiatives have supported road development, railway connectivity, border infrastructure, trade facilitation, energy transmission, and customs cooperation, thereby addressing several of the structural constraints associated with Afghanistan's landlocked geography. The Salang Corridor provides an illustrative example of this approach, as CAREC Corridor 5 and Corridor 6 initiatives have focused on improving transport connectivity through the Salang route, which constitutes a critical land connection between northern and southern Afghanistan. The CAREC experience therefore demonstrates how regional economic cooperation can be translated into physical infrastructure and practical connectivity. More importantly, it suggests that regional cooperation can produce economic value when institutional arrangements are connected directly to infrastructure investment, trade facilitation, and corridor development. Nevertheless, the effectiveness of these initiatives remains dependent on security, institutional capacity, political stability, financing, and the ability of participating countries to maintain and utilize regional infrastructure effectively.

Transport Connectivity

Transport connectivity represents one of the most important dimensions of Afghanistan's potential regional economic role because the country's geographical position provides opportunities to connect Central Asian economies with South Asian and international markets. Effective regional economic corridors can reduce transportation time, transaction costs, border delays, logistics uncertainty, and market-access barriers while simultaneously improving the competitiveness of landlocked economies. CAREC's transport strategy has therefore emphasized the development of competitive, efficient, and sustainable transport corridors combined with trade facilitation. Afghanistan's geographical position creates potential connections between Central Asia, Afghanistan, Pakistan, and the Arabian Sea, as well as between Central Asia, Afghanistan, Iran, and international markets. These routes have the potential to diversify Afghanistan's access to maritime trade and reduce dependence on individual transit routes. The extension of CAREC corridors toward Pakistan's ports is particularly important because it potentially connects Afghanistan and Central Asian landlocked economies to major maritime gateways, including Karachi and Gwadar. ADB documentation identifies CAREC Corridor 5 as an important route linking Afghanistan, Central Asia, and the People's Republic of China with the Arabian Sea through Pakistan. These developments demonstrate that Afghanistan's economic importance should not be evaluated

solely according to the size of its domestic market or its level of economic development. Instead, its strategic value can also be assessed according to its network position within regional transport systems. In network terms, Afghanistan has the potential to function as an intermediary node connecting markets, resources, and production centres located on either side of the country. However, realizing this potential requires not only physical infrastructure but also reliable border procedures, security, logistics services, customs coordination, and predictable transit arrangements. Transport connectivity should therefore be understood as a multidimensional institutional and economic process rather than merely the construction of roads and railways.

Energy Connectivity

Energy connectivity represents another major dimension of Afghanistan's potential contribution to regional economic cooperation. Central Asia possesses substantial energy resources, including hydropower and natural gas, while South Asian economies have experienced significant and continuing demand for electricity and energy resources. Afghanistan's geographical position between these regions creates the potential for the country to function as an energy-transit corridor connecting Central Asian producers with South Asian consumers. CAREC's Energy Strategy 2030 explicitly seeks to strengthen regional electricity and gas interconnection and trade while promoting regional energy connectivity, investment, sustainability, and energy-market development. Two major initiatives illustrate the potential significance of Afghanistan's geographical position in regional energy cooperation. The Central Asia–South Asia Electricity Transmission and Trade Project (CASA-1000) seeks to facilitate the transmission of surplus electricity from Kyrgyzstan and Tajikistan through Afghanistan to Pakistan, while the Turkmenistan–Afghanistan–Pakistan–India (TAPI) gas pipeline seeks to connect Turkmenistan's natural gas resources with South Asian markets through Afghanistan. These initiatives illustrate the possibility of transforming Afghanistan from primarily an energy-importing and energy-deficient economy into a regional energy-transit country capable of generating economic benefits through transit, infrastructure development, employment, and regional investment. Nevertheless, energy connectivity is highly sensitive to political stability, security conditions, financing, contractual reliability, infrastructure protection, and regulatory coordination. Energy infrastructure is particularly vulnerable to political and security disruptions because pipelines, transmission lines, substations, and related facilities require long-term protection and cross-border cooperation. Consequently, energy integration requires much stronger institutional coordination than simply constructing physical infrastructure. Sustainable regional energy cooperation therefore depends on the simultaneous development of infrastructure, regulatory frameworks, commercial agreements, security mechanisms, and institutional trust among participating states.

Trade Facilitation

Regional economic integration depends not only on physical infrastructure but also on the quality and efficiency of border institutions. A modern highway or railway can provide limited economic benefits if goods remain subject to prolonged customs procedures, inconsistent documentation, repeated inspections, or unpredictable border delays. Trade facilitation is therefore complementary to physical connectivity because efficient border management determines whether infrastructure can actually reduce transaction costs and improve market access. Key areas of trade facilitation include customs modernization, electronic

documentation, single-window systems, coordinated border management, digital customs procedures, mutual recognition arrangements, and risk-based inspection systems. CAREC has historically emphasized trade facilitation alongside transport investment, reflecting the recognition that infrastructure and institutional efficiency must develop simultaneously. This approach is particularly important for Afghanistan because high transaction costs, lengthy border procedures, regulatory uncertainty, and limited customs capacity can undermine the competitiveness of Afghan exports and increase the cost of imported goods. The ESCAP literature similarly identifies tariff and non-tariff barriers, transportation constraints, and weaknesses in cross-border trade arrangements as significant challenges affecting Afghanistan's economic relations with Central Asia. Consequently, the effectiveness of regional connectivity should not be measured solely by kilometres of roads constructed or the number of transport corridors established. More meaningful indicators include reductions in border-crossing time, transport costs, customs processing time, logistics costs, and uncertainty. From this perspective, trade facilitation represents an essential institutional component of Afghanistan's transition from geographical connectivity to effective economic integration.

Institutional and Geopolitical Constraints

The potential benefits associated with regional economic cooperation must be considered alongside the institutional, political, security, and geopolitical constraints that continue to shape Afghanistan's regional economic engagement. Security remains one of the most important constraints because infrastructure projects, transport corridors, energy networks, and investment activities require predictable operating conditions, safe transportation routes, protection of critical infrastructure, and sufficient investor confidence. Destradi (2015) demonstrates that Afghanistan's location at the intersection of multiple regional security systems contributes to the difficulties associated with regional cooperation, particularly because economic and geopolitical interests frequently overlap. Security uncertainty can increase insurance and transportation costs, discourage foreign investment, delay infrastructure projects, and reduce the willingness of private firms to participate in cross-border commercial activities. Political rivalry constitutes another important constraint, particularly within the South Asian context. The relationship between India and Pakistan has historically affected the effectiveness of SAARC and limited the development of deeper regional economic integration. Institutional weakness represents a further challenge because regional agreements require effective domestic implementation. Weak customs capacity, inconsistent regulations, bureaucratic inefficiency, limited enforcement capabilities, and fragmented institutional responsibilities can prevent regional agreements from generating their intended economic outcomes. Infrastructure deficiency similarly remains a structural constraint because inadequate roads, railways, energy networks, logistics facilities, and border infrastructure can increase transportation costs and reduce Afghanistan's attractiveness as a transit country. Finally, Afghanistan's geographical position places it within a region characterized by overlapping interests involving China, Russia, Iran, India, Pakistan, Türkiye, and the Central Asian states. These overlapping interests create opportunities for investment, connectivity, and economic cooperation but can also produce competition among alternative regional initiatives and geopolitical alignments. Afghanistan's regional economic role must therefore be understood within a complex environment in which economic connectivity is simultaneously influenced by infrastructure, institutional capacity, security, political relations, and broader geopolitical competition.

Security

Security remains perhaps the most significant cross-cutting constraint affecting Afghanistan's ability to realize the economic potential associated with regional connectivity. Regional infrastructure projects require predictable operating conditions, safe transportation routes, protection of pipelines and electricity transmission networks, and sufficient confidence among domestic and international investors. Security concerns can increase transaction costs, discourage private-sector participation, delay infrastructure construction, and undermine the reliability of cross-border transport and energy networks. Destradi (2015) emphasizes that Afghanistan's position at the intersection of multiple regional security environments contributes to the difficulties of achieving sustained regional cooperation. From an economic perspective, this suggests that security should not be treated simply as an external political issue but as an important determinant of the feasibility, cost, and sustainability of regional economic integration.

Political Rivalry

Regional economic cooperation cannot be separated from interstate political relations, particularly in Central and South Asia. The South Asian experience demonstrates this particularly clearly, as tensions between India and Pakistan have repeatedly constrained the effectiveness of SAARC and slowed progress toward deeper regional integration. For Afghanistan, such political rivalry creates indirect constraints because the country may possess strong economic incentives to increase trade and connectivity with both India and Pakistan while simultaneously being affected by political tensions between these two major regional economies. Consequently, the effectiveness of Afghanistan's participation in SAARC depends not only on its own economic policies but also on the broader political environment within the organization.

Institutional Weakness

Institutional capacity is essential for converting regional agreements into actual economic outcomes. Trade agreements, transport arrangements, customs cooperation, and energy projects require capable institutions at the national and cross-border levels. Weak customs administration, inconsistent regulatory frameworks, bureaucratic delays, inadequate enforcement mechanisms, and fragmented institutional responsibilities can substantially reduce the benefits of regional cooperation. For Afghanistan, strengthening institutional capacity is therefore essential for ensuring that regional connectivity produces tangible improvements in trade, investment, logistics, and economic development. Institutional development should consequently be treated as a core component of regional integration rather than as a separate domestic governance issue.

Infrastructure Deficiency

Infrastructure deficiency represents a fundamental constraint on Afghanistan's ability to capitalize on its geographical position. Poor-quality roads, limited railway networks, insufficient logistics facilities, weak energy infrastructure, inadequate border facilities, and limited digital connectivity can increase transport and transaction costs and reduce the country's attractiveness as a regional transit hub. While CAREC and other regional initiatives have contributed to infrastructure development, the existing network remains insufficient to fully exploit Afghanistan's potential as a Central–South Asian connector. Moreover, infrastructure development must be accompanied by maintenance, institutional

coordination, logistics services, and reliable cross-border operations. Infrastructure should therefore be understood as both a physical and institutional system.

Geopolitical Competition

Afghanistan's location within a strategically important part of Eurasia places it at the intersection of multiple geopolitical and economic interests. China, Russia, Iran, India, Pakistan, Türkiye, and the Central Asian republics all possess varying interests in Afghanistan's security, trade, transport, energy, and connectivity. This environment creates opportunities for investment and regional cooperation but also generates competition among alternative connectivity initiatives and strategic partnerships. The challenge for Afghanistan is therefore to develop a diversified and pragmatic regional economic strategy that maximizes connectivity opportunities without becoming excessively dependent on any single regional power or transport route. A multi-institutional approach involving ECO, SAARC, and CAREC could potentially support such diversification by allowing Afghanistan to maintain economic relationships across multiple regional spaces.

The Concept of Institutional Overlap

A significant gap in the existing literature concerns the relationship and potential complementarities among the regional institutions through which Afghanistan engages with the wider Central and South Asian economies. While previous studies have predominantly examined Afghanistan's engagement with SAARC, CAREC, or Central Asia as separate areas of inquiry, relatively limited attention has been given to the combined role of ECO, SAARC, and CAREC in shaping Afghanistan's regional economic position. This is an important omission because these institutions perform distinct but potentially complementary functions. ECO provides a broad trans-regional institutional platform connecting Central, South, and West Asia; SAARC provides Afghanistan with access to the South Asian regional market and a framework for economic cooperation; while CAREC emphasizes practical infrastructure development, transport connectivity, energy cooperation, trade facilitation, and economic corridor development. Rather than representing institutional duplication, this overlapping architecture may create opportunities for functional regionalism, whereby different regional frameworks address different dimensions of integration. From this perspective, Afghanistan's simultaneous participation in ECO, SAARC, and CAREC could enable it to leverage complementary institutional resources to improve trade connectivity, transport infrastructure, energy linkages, investment flows, and access to regional markets. Such an arrangement suggests that regional integration does not necessarily require a single comprehensive regional organization; instead, Afghanistan may benefit from participating simultaneously in multiple regional institutions, each contributing to specific functional dimensions of regional economic integration. This institutional overlap therefore provides an important basis for conceptualizing Afghanistan not merely as a landlocked peripheral economy, but as a potential trans-regional economic connector between Central and South Asia. More broadly, the concept of institutional overlap shifts the analytical focus from evaluating regional organizations independently toward understanding how multiple institutions can collectively contribute to regional connectivity. In the Afghan context, ECO can provide geographical and institutional breadth, SAARC can facilitate access to South Asian markets and regional cooperation mechanisms, and CAREC can translate connectivity objectives into infrastructure, transport, energy, and trade-facilitation initiatives. The interaction among these institutional mechanisms may consequently create a form of

functional regionalism in which different organizations perform complementary rather than identical roles. This perspective also suggests that Afghanistan's regional economic strategy should not be evaluated according to its success within any single organization. Instead, its effectiveness should be assessed according to its ability to strategically leverage the combined opportunities provided by multiple regional frameworks. Such an approach provides a stronger conceptual foundation for understanding how Afghanistan can transform its geographical centrality into economically meaningful connectivity and potentially emerge as a trans-regional economic connector linking Central and South Asia.

Methodology

Research Design

This study employs a structured integrative literature review.

An integrative literature review is appropriate where the literature contains different methodologies, theoretical traditions and source types.

This is particularly suitable for Afghanistan because relevant evidence comes from:

1. peer-reviewed journal articles;
2. books;
3. policy studies;
4. development-agency reports;
5. institutional documents;
6. regional cooperation frameworks.

The review is therefore not restricted to empirical quantitative studies.

Search Strategy

The literature search was structured around combinations of the following terms:

1. "Afghanistan" AND "regional economic cooperation"
2. "Afghanistan" AND "ECO"
3. "Afghanistan" AND "SAARC"
4. "Afghanistan" AND "CAREC"
5. "Afghanistan" AND "Central Asia" AND "trade"
6. "Afghanistan" AND "South Asia" AND "regional integration"
7. "Afghanistan" AND "economic corridors"
8. "Afghanistan" AND "energy connectivity"
9. "Central Asia" AND "South Asia" AND "connectivity"

Searches were directed toward academic literature and authoritative institutional sources.

Inclusion Criteria

Sources were included when they:

1. directly addressed Afghanistan's regional economic role;
2. examined ECO, SAARC or CAREC;
3. addressed trade, transport, infrastructure, energy or investment;
4. examined regional connectivity involving Afghanistan;
5. provided theoretical insight into regional integration;
6. represented authoritative institutional evidence.

Priority was given to peer-reviewed publications and major international organizations.

Exclusion Criteria

Sources were excluded where they:

1. focused exclusively on domestic Afghan politics without regional economic relevance;
2. addressed military/security issues without economic implications;
3. lacked identifiable authorship or institutional provenance;
4. duplicated findings already represented in stronger sources;
5. were purely journalistic rather than scholarly or institutional.

Analytical Procedure

The literature was organized into six thematic categories:

1. regional integration;
2. trade and trade facilitation;
3. transport and economic corridors;
4. energy connectivity;
5. institutional capacity; and
6. geopolitical/security constraints.

The three institutional frameworks were then compared across these dimensions.

Literature Matrix

Table 1

Literature matrix

Author/Institution	Year	Main Focus	Framework	Method/Approach	Principal Finding	Identified Gap
Balassa	1961	Economic integration	General	Theoretical	Integration reduces economic barriers	Limited applicability to conflict-affected regions
Gleason et al.	2009	Afghan reconstruction	Regional	Conceptual/policy	Reconstruction requires regional reintegration	Limited empirical evaluation
Destradi	2015	Regional cooperation	Multiple regions	Political analysis	Overlapping conflict regions constrain cooperation	Limited economic/infrastructure analysis
Ahmed Zahoor &	2018	Afghanistan in SAARC	SAARC	Institutional analysis	Membership creates opportunities and challenges	Limited post-2021 evidence
ESCAP	2015	Afghanistan–Central Asia trade	Central Asia	Policy analysis	Energy, transit and border trade have potential	Limited causal evidence

Linn	2008	Regional cooperation	CAREC	Policy analysis	CAREC can improve regional connectivity	Early-stage CAREC analysis
ADB	2011	CAREC development	CAREC	Institutional review	Infrastructure can support regional trade	Limited Afghanistan-specific analysis
ADB	2014	Transport/trade facilitation	CAREC	Policy strategy	Competitive corridors require facilitation	Implementation challenges
ADB	2020	Border communities	CAREC	Scoping study	Cross-border communities offer inclusive growth potential	Limited Afghanistan case evidence
ADB	2022	CAREC effectiveness	CAREC	Programme review	Significant investment but uneven integration	Afghanistan-specific outcomes require further study
ADB	2023	Regional connectivity	CAREC	Independent evaluation	Transport and energy connectivity improved, but trade competitiveness remains limited	Need corridor-level impact assessment
ADB	2024	Climate cooperation	CAREC	Policy analysis	Regional cooperation increasingly includes climate resilience	Afghanistan-specific climate-connectivity research limited
ADB	2026	Transport strategy	CAREC	Midterm review	Digitalization and multimodal corridors increasingly important	Post-2021 Afghanistan implications underexplored
UNECE	2015	South-Central connectivity	Regional	Policy analysis	Connectivity can support	Implementation uncertainty

RECCA	2017	Afghan regional cooperation	Multiple	Policy forum	trade and peace Greater coordination among ECO, SAARC and CAREC needed	Limited systematic evaluation
ADB	2020	Energy integration	CAREC	Technical assistance	Regional electricity/gas integration has substantial potential	Political barriers
CAREC Institute	Various	Regional integration	CAREC	Policy research	Infrastructure and trade facilitation are central	Limited cross-institutional analysis
Popal	2026	Economic corridors	Multiple	Qualitative review	Afghanistan has major corridor potential	Recent study; requires stronger peer-reviewed evidence

The matrix reveals three important patterns.

First, CAREC dominates infrastructure-related research.

Second, SAARC dominates political and institutional regionalism research.

Third, ECO is comparatively under-researched in Afghanistan-specific empirical scholarship.

This fragmentation provides a strong justification for the present review.

Analysis

Comparative Institutional Analysis

The three frameworks can be differentiated according to their primary mechanisms.

Dimension	ECO	SAARC	CAREC
Primary orientation	Trans-regional cooperation	South Asian regionalism	Project-based regional integration
Geographic scope	Central/South/West Asia	South Asia	Central/West Asia + China/Mongolia
Afghanistan's role	Connector	Member	Transit/connectivity node
Trade	High potential	High potential but constrained	Practical facilitation
Transport	Strategic	Limited	Core priority
Energy	Strategic	Secondary	Core priority
Infrastructure	Moderate	Limited	Major
Institutionalization	Moderate	Moderate	Functional/project-based
Main limitation	Implementation	Political rivalry	Security and implementation

This comparison suggests that the institutions should be understood as complementary rather than mutually exclusive.

Findings and Discussion

Finding 1: Afghanistan is best understood as a trans-regional connector rather than a peripheral landlocked state

The literature consistently identifies Afghanistan's geographical position as both a structural constraint and a potential economic opportunity. Its landlocked status creates dependence on neighbouring countries for access to international markets, ports, transport infrastructure, and transit routes. At the same time, its geographical position between Central and South Asia gives it considerable potential to function as a bridge connecting resource-rich Central Asian economies with the large and growing markets of South Asia. This apparent contradiction suggests the importance of distinguishing between landlockedness as a geographical condition and land-linkedness as an economic condition produced through effective connectivity. Landlockedness describes the absence of direct access to maritime trade, whereas land-linkedness refers to the extent to which a country can overcome this geographical constraint through efficient transport corridors, reliable transit arrangements, trade facilitation, infrastructure, energy networks, and regional institutional cooperation. From this perspective, Afghanistan's economic disadvantage is not determined exclusively by geography. Rather, its economic position depends on the quality of the regional networks through which its geographical location is connected to markets and production systems. The literature therefore supports a reconceptualization of Afghanistan from a peripheral landlocked state toward a potential trans-regional connector, provided that geographical potential can be converted into reliable and commercially viable connectivity.

Finding 2: CAREC has the strongest direct economic-connectivity mechanism

Among ECO, SAARC, and CAREC, the literature indicates that CAREC has the most direct mechanism for translating regional cooperation into physical economic connectivity. Its activities are closely associated with transport infrastructure, roads, railways, energy infrastructure, customs modernization, trade facilitation, and economic corridors. This project-oriented approach is particularly relevant to Afghanistan because many of the country's most significant barriers to regional economic integration are physical and logistical. CAREC's investments and policy initiatives demonstrate that regional cooperation can move beyond political declarations toward concrete infrastructure and connectivity outcomes. However, evidence from the Asian Development Bank's independent evaluation also indicates that although CAREC-related support has advanced transport and energy connectivity, progress in areas such as regional competitiveness, trade, and regional public goods has been comparatively more limited (Asian Development Bank, 2023). This finding is important because it demonstrates that infrastructure connectivity does not automatically produce economic integration. Roads, railways, energy networks, and border facilities constitute necessary foundations for regional integration, but their economic benefits depend on complementary institutions, efficient customs systems, competitive logistics services, private-sector participation, market demand, political stability, and predictable cross-border regulations. CAREC should therefore be understood as an important enabling mechanism rather than as a sufficient condition for Afghanistan's regional economic integration.

Finding 3: SAARC's institutional potential is constrained by regional politics

The literature demonstrates that Afghanistan's participation in SAARC provides significant potential for South Asian market access and regional economic cooperation, but the

effectiveness of this institutional framework is constrained by wider regional political dynamics. Afghanistan has strong economic incentives to deepen its engagement with major South Asian markets, particularly India and Pakistan, and SAARC provides a formal institutional platform through which such engagement can occur. Nevertheless, persistent political tensions among major member states have historically limited the organization's ability to achieve deeper regional integration. For Afghanistan, this creates a structural dilemma because the country's economic interests in South Asian connectivity may be stronger than the institutional capacity of SAARC to deliver those benefits. The finding suggests that Afghanistan cannot rely exclusively on SAARC as the principal mechanism for achieving regional economic integration. Instead, SAARC should be considered one component of a broader regional strategy in which South Asian market access is complemented by other institutional and infrastructure mechanisms. This also reinforces the argument that regional economic integration is influenced not only by economic complementarities but also by political relationships and institutional effectiveness.

Finding 4: ECO provides an important trans-regional institutional bridge

ECO occupies a strategically important position in Afghanistan's regional economic architecture because its membership connects Central Asia with South and West Asia. Unlike a framework focused exclusively on one geographical subregion, ECO provides Afghanistan with access to a broader institutional space encompassing countries such as Iran, Pakistan, Türkiye, and the Central Asian republics. This geographical breadth creates opportunities for Afghanistan to diversify its trade routes, strengthen transit cooperation, develop energy linkages, attract investment, and expand economic diplomacy. ECO is therefore particularly relevant to the trans-regional character of Afghanistan's geographical position. Nevertheless, the literature also suggests that the existence of a broad institutional mandate does not automatically translate into substantial economic outcomes. ECO's contribution depends on the extent to which its objectives can be translated into concrete projects, effective trade arrangements, infrastructure investments, and functioning cross-border economic networks. Consequently, ECO's principal value for Afghanistan may lie in its ability to provide institutional breadth and strategic connectivity, while other mechanisms such as CAREC may provide more direct project-level implementation. The effectiveness of ECO should therefore be assessed not only in terms of formal agreements and institutional participation but also in terms of the extent to which these arrangements generate measurable improvements in trade, transit, investment, and regional connectivity.

Finding 5: Institutional overlap can create complementarities

One of the most significant conceptual findings emerging from this review is that the simultaneous participation of Afghanistan in ECO, SAARC, and CAREC should not necessarily be interpreted as institutional duplication. Instead, the three frameworks perform different but potentially complementary functions within Afghanistan's regional economic strategy. ECO can be conceptualized as providing institutional breadth, linking Afghanistan with a wider Central, South, and West Asian economic space. SAARC provides South Asian market access and regional cooperation, particularly through its trade and development mechanisms. CAREC provides infrastructure, transport, energy, trade facilitation, and implementation mechanisms that can translate regional connectivity objectives into practical projects. The interaction of these different institutional functions creates the possibility of a multi-layered regional integration architecture. Such an architecture does not require the creation of a

single comprehensive regional organization. Instead, Afghanistan could potentially leverage the different strengths of multiple institutions according to specific economic objectives. This finding contributes to the literature by shifting the analytical focus from individual institutional effectiveness toward the complementarity among overlapping regional institutions. The central proposition is that institutional overlap can become economically productive when different organizations address different dimensions of connectivity and when national institutions possess sufficient capacity to coordinate and exploit these opportunities.

Finding 6: Economic corridors should be viewed as ecosystems

The literature indicates that an economic corridor should not be understood simply as a road, railway, pipeline, or other physical infrastructure project. A functioning economic corridor requires the interaction of infrastructure with customs systems, logistics services, financial institutions, investment mechanisms, digital systems, commercial networks, and cross-border regulatory arrangements. Consequently, the economic value of a corridor depends on the broader ecosystem surrounding the physical infrastructure. For Afghanistan, this distinction is particularly important because the country may possess strategically important transport routes without necessarily realizing substantial economic benefits if border procedures remain inefficient, logistics services are underdeveloped, financial transactions are difficult, or regulatory arrangements remain unpredictable. A corridor therefore becomes economically meaningful when infrastructure facilitates the movement not only of goods and people but also of capital, information, services, and commercial opportunities. Future regional cooperation should consequently move beyond an infrastructure-centred approach toward the development of integrated corridor ecosystems. Such an approach would require coordination among governments, customs authorities, transport operators, logistics companies, financial institutions, investors, technology providers, and private businesses. This finding further supports the argument that infrastructure is necessary but insufficient for regional economic integration.

Finding 7: Energy may provide the strongest long-term basis for Central–South Asian integration

Energy represents a particularly promising area for long-term Central–South Asian economic integration because of the structural complementarity between Central Asia's energy resources and South Asia's growing energy demand. Afghanistan occupies a strategically important geographical position between these two regions and therefore has the potential to function as an energy-transit country. Regional initiatives such as CASA-1000 and TAPI demonstrate the potential for Afghanistan to become part of cross-border energy networks connecting Central Asian producers with South Asian consumers. CAREC's regional energy strategy further emphasizes electricity and gas interconnection, regional energy trade, investment, and energy-market cooperation. The potential benefits for Afghanistan extend beyond transit revenues and may include infrastructure investment, employment generation, electricity access, industrial development, and stronger regional economic interdependence. However, energy connectivity is also particularly vulnerable to political instability, security threats, financing difficulties, contractual uncertainty, and regulatory fragmentation. Therefore, realizing the potential of energy integration requires not only infrastructure but also stable institutions, credible commercial arrangements, cross-border regulatory cooperation, and long-term political commitment. The literature consequently suggests that

energy cooperation may eventually become as strategically important as transport connectivity in shaping Afghanistan's role within Central and South Asian regional integration.

Finding 8: Security is both a constraint and an outcome variable

The conventional literature generally treats security as a prerequisite for regional economic cooperation. This perspective is understandable because transport corridors, energy networks, trade routes, and investment projects require predictable and secure operating environments. However, the findings of this review suggest that the relationship between security and economic cooperation may be more complex and potentially reciprocal. Regional economic interdependence may itself generate incentives for greater stability because countries that benefit from shared infrastructure, energy networks, trade routes, and commercial relationships may develop stronger economic interests in maintaining those connections. This creates the possibility of a feedback mechanism in which connectivity generates trade, trade creates interdependence, interdependence strengthens mutual economic interests, and stronger mutual interests contribute to confidence-building and stability. Although this proposition requires empirical testing, it provides an alternative perspective on the relationship between security and regional integration in Afghanistan. Rather than viewing security solely as an external precondition for economic cooperation, future research could examine whether economic connectivity itself contributes to improved regional stability. Such a perspective could significantly expand the theoretical understanding of the relationship between economic interdependence, regionalism, and conflict-prone environments.

Theoretical Contribution

The Trans-Regional Connector Perspective

Based on the synthesis of the literature, this review proposes a Trans-Regional Connector Perspective (TRCP) to explain Afghanistan's potential role in Central and South Asian regional economic cooperation. The central proposition of the perspective is that a country positioned between multiple regional economic systems can derive strategic economic value from institutional overlap when different regional cooperation frameworks provide complementary mechanisms for market access, infrastructure development, trade facilitation, energy connectivity, and investment. Afghanistan represents an appropriate case for developing this perspective because its geographical position places it between Central Asian resource and production systems and South Asian consumer markets, while its participation in multiple regional institutions provides access to different forms of regional cooperation. The perspective therefore moves beyond the conventional characterization of Afghanistan as a landlocked peripheral economy and conceptualizes it as a potential trans-regional connector state.

The Trans-Regional Connector Perspective consists of four interconnected dimensions: geographic centrality, institutional multiplicity, functional complementarity, and conversion capacity. Geographic centrality refers to Afghanistan's location between several regional economic systems and its potential to connect markets, resources, and transport networks. Institutional multiplicity refers to Afghanistan's simultaneous participation in multiple regional cooperation frameworks, particularly ECO, SAARC, and CAREC. Functional complementarity refers to the different economic functions performed by these institutions, whereby one may provide market access, another institutional breadth, and another

infrastructure and implementation capacity. The final dimension, conversion capacity, refers to the ability of Afghanistan's institutions, businesses, infrastructure systems, and regulatory frameworks to convert geographical and institutional opportunities into actual commercial activity. This fourth dimension is particularly important because geography alone does not create economic integration, and institutional membership alone does not guarantee economic outcomes. Rather, conversion capacity determines whether potential connectivity can be transformed into economically productive networks.

The TRCP therefore proposes that Afghanistan's regional economic value should be assessed not simply by its domestic economic size or the formal benefits of membership in individual regional organizations, but by its capacity to combine geographical position, institutional participation, infrastructure, market access, and domestic implementation capabilities. The perspective also recognizes that the effectiveness of trans-regional connectivity is conditioned by security, political stability, institutional quality, infrastructure quality, customs efficiency, geopolitical relations, and private-sector participation. Accordingly, the framework provides a basis for explaining why countries with strategically important geographical locations may nevertheless fail to achieve significant economic integration when their conversion capacity remains weak.

Proposed Conceptual Framework

The proposed conceptual framework positions ECO, SAARC, and CAREC as complementary components of Afghanistan's trans-regional connectivity architecture. At the institutional level, ECO provides trans-regional institutional connectivity by linking Afghanistan to Central, South, and West Asian economies. SAARC contributes South Asian market connectivity by providing access to a regional institutional and market framework. CAREC contributes infrastructure, transport, energy, and trade facilitation mechanisms, thereby providing the practical foundation through which regional connectivity can be implemented. The interaction of these three institutional dimensions is expected to strengthen Afghanistan's Trans-Regional Connector Capacity, which represents the central mechanism through which geographical and institutional potential is converted into economic outcomes.

Afghanistan's Trans-Regional Connector Capacity can subsequently contribute to several dimensions of regional economic integration, including trade integration, energy connectivity, transport corridor development, investment, economic diversification, and broader regional development. However, these relationships are not automatic. They are influenced by enabling and moderating conditions, including security, institutional quality, political stability, infrastructure quality, customs efficiency, geopolitical relations, and private-sector participation. Where these conditions are favourable, institutional overlap can generate stronger connectivity and economic integration. Where they are weak, the benefits of institutional participation may remain largely potential rather than realized. The ultimate outcome of the framework is therefore greater Central–South Asian economic integration, with Afghanistan functioning as an economically productive connector between regional markets and production systems. This framework provides a conceptual foundation for future empirical studies examining the direct and indirect relationships among regional institutions, connectivity, trade, investment, energy cooperation, and regional development.

Practical and Policy Contributions*Move from institutional membership to institutional coordination*

The findings suggest that Afghanistan should move beyond viewing membership in ECO, SAARC, and CAREC as separate diplomatic commitments and instead develop a coordinated strategy for leveraging their complementary functions. ECO can be utilized to strengthen broad trans-regional economic relations, SAARC can facilitate engagement with South Asian markets, and CAREC can support infrastructure, transport, energy, and trade facilitation. A coordinated institutional strategy could reduce duplication, improve resource utilization, and allow Afghanistan to pursue different dimensions of regional integration through the most appropriate institutional mechanisms. Such coordination would require stronger inter-ministerial cooperation and greater alignment between Afghanistan's national connectivity priorities and the objectives of regional institutions.

Develop corridor-specific strategies

The literature indicates that broad regional declarations are unlikely to generate substantial economic outcomes unless they are translated into specific and measurable connectivity initiatives. Afghanistan should therefore develop corridor-specific strategies that identify priority routes, target markets, infrastructure requirements, border constraints, logistics needs, investment opportunities, and measurable performance indicators. Such strategies should assess not only the construction of infrastructure but also the operational performance of corridors, including transportation time, border-crossing delays, logistics costs, customs efficiency, freight volumes, and trade growth. A corridor-based approach would enable policymakers to identify bottlenecks and evaluate whether regional connectivity projects are generating actual economic benefits.

Improve customs and border governance

Physical connectivity must be accompanied by substantial improvements in customs and border governance. Afghanistan's regional economic competitiveness can be weakened if goods experience lengthy delays or unpredictable procedures at border crossings. The modernization of customs administration, electronic documentation, single-window systems, digital customs, risk-based inspections, and coordinated border management could significantly reduce transaction costs and improve the reliability of regional trade. The policy emphasis should therefore shift from viewing border infrastructure as a physical facility toward understanding border management as an integrated institutional system that directly influences the economic performance of regional corridors.

Develop energy-transit capabilities

Afghanistan should also strengthen its capacity to participate in regional energy-transit initiatives. Energy corridors have the potential to generate transit revenues, attract investment, create employment, expand electricity access, and increase regional economic interdependence. However, maximizing these benefits requires investment in transmission infrastructure, pipeline networks, security mechanisms, regulatory institutions, and commercial capabilities. Afghanistan's role should therefore extend beyond simply allowing infrastructure to pass through its territory. The country should seek to develop domestic capabilities that enable it to capture greater economic value from regional energy connectivity while simultaneously ensuring the reliability and security of cross-border energy infrastructure.

Promote private-sector participation

Regional economic integration ultimately depends on firms and commercial actors rather than governments alone. SMEs, logistics companies, banks, investors, exporters, importers, chambers of commerce, and other private-sector organizations should therefore be incorporated into the planning and implementation of regional corridors. Private-sector participation can provide information about actual market demand, logistics constraints, financing requirements, and commercial opportunities that may not be fully captured by government-led planning. Strengthening public–private partnerships and creating predictable regulatory environments could therefore enhance the commercial viability of regional connectivity projects and improve Afghanistan's ability to convert infrastructure into sustainable economic activity.

Limitations

This literature review has several limitations. First, it integrates academic studies with institutional and policy reports from organizations such as the Asian Development Bank (ADB) and ESCAP, which may emphasize policy achievements and therefore require critical interpretation. Second, empirical studies directly measuring the economic effects of Afghanistan's participation in ECO, SAARC, and CAREC remain limited, making causal conclusions difficult. Third, the literature is uneven, with CAREC generating substantially more research on infrastructure and connectivity than ECO and SAARC. Fourth, much of the available literature predates Afghanistan's political transition in 2021, limiting understanding of recent developments. Fifth, Afghanistan's rapidly changing political, economic, and geopolitical environment may make some findings time-sensitive. Finally, the review focuses primarily on ECO, SAARC, and CAREC and does not comprehensively examine other connectivity initiatives such as the SCO, BRI, RECCA, INSTC, and bilateral arrangements. Future research should therefore consider how these initiatives interact with the three frameworks examined here.

Future Research

Future research should empirically examine the economic impact of specific corridors on transportation costs, trade, investment, and export competitiveness using methods such as gravity models, panel data, and difference-in-differences analysis. Greater attention should also be given to Afghanistan's post-2021 economic diplomacy and whether regional economic cooperation can progress despite political constraints. Comparative studies could assess the relative effectiveness of ECO, SAARC, and CAREC across trade, infrastructure, energy, investment, and trade facilitation. Further research should investigate Afghanistan's potential as an energy-transit hub through initiatives such as CASA-1000 and TAPI, while also examining digital customs, paperless trade, and digital payment systems. The role of SMEs, logistics firms, investors, and financial institutions in regional corridors also requires greater attention. Finally, future studies should explore whether economic interdependence can contribute to regional peace and how transport and energy infrastructure can be made more climate-resilient.

Conclusion

Afghanistan occupies a strategically important position between Central and South Asia. Although its landlocked geography creates substantial economic constraints, its location also provides significant potential to connect Central Asian resources and markets with South

Asian economies. ECO, SAARC, and CAREC provide complementary mechanisms for realizing this potential. ECO offers trans-regional institutional breadth, SAARC provides South Asian market access, and CAREC offers infrastructure, transport, energy, and trade-facilitation mechanisms.

However, the literature demonstrates that institutional membership and physical connectivity alone do not guarantee economic integration. Political tensions, security challenges, weak institutions, infrastructure deficits, and inefficient border systems continue to constrain Afghanistan's regional economic role. The central contribution of this review is therefore the Trans-Regional Connector Perspective (TRCP), which argues that Afghanistan's regional economic potential depends on the interaction of geographic centrality, institutional multiplicity, functional complementarity, and conversion capacity.

The concept of land-linkedness further suggests that Afghanistan's landlocked status should not be viewed solely as a permanent economic disadvantage. Through effective infrastructure, trade facilitation, energy cooperation, institutional coordination, digital connectivity, and private-sector participation, geographical constraints can potentially be transformed into regional economic opportunities. Afghanistan's future role should therefore be assessed not simply by its membership in individual regional organizations, but by its ability to connect and coordinate the opportunities offered by multiple institutional frameworks. Overall, ECO, SAARC, and CAREC can be understood as complementary components of a multi-layered regional integration architecture. If their respective strengths are combined with domestic reforms, infrastructure development, improved security, and private-sector participation, Afghanistan could gradually transition from a predominantly landlocked economy into a trans-regional economic connector linking Central and South Asia. This proposition provides a foundation for future empirical research on how institutional overlap can generate meaningful regional economic integration.

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