Trust is the Coin of the Realm
Lessons from the Money Men in Afghanistan

Edwina A. Thompson
## Contents

*List of Figures and Tables*  | ix  
*Acknowledgements*  | xi  
*Abbreviations*  | xiii  
*Glossary*  | xv  

### I METHOD & THEORY

1. **Introduction**  | 1  
   1.1 Importance of the Study  | 5  
   1.2 Definition of Key Terms  | 9  
   1.3 Scope and Method  | 10  
   1.4 Challenges and Limitations  | 12  
   1.5 Chapter Outline  | 27  

2. **Legitimacy and the State-building Project**  | 37  
   2.1 The Problem  | 40  
   2.2 The Popular Response  | 48  
   2.3 The Way Forward  | 54  
   2.4 Implications  | 67  

### II LEGACIES

3. **Islam, Terrorism and the Origins of Hawala**  | 83  
   3.1 Conventional Wisdom  | 83  
   3.2 Etymology of Hawala  | 88  
   3.3 World Commerce  | 96  
   3.4 Role of Islam  | 101  

4. **Hawala and the Politics of Survival**  | 116  
   4.1 Empire and State Regulation  | 119  
   4.2 The Bazaar  | 128  
   4.3 The Indian Trade Diaspora and 'Family Firm'  | 135  
   4.4 Conventional Wisdom Unravelled  | 140
### III LINKAGES

5 **Ritual and Rationality**
  5.1 War and Migration 152
  5.2 Ethnicity 161
  5.3 Stereotypes and Social Organisation 164
  5.4 Rationality 178
  5.5 Conclusion 181

6 **Globalisation and the Money Dealer**
  6.1 Global Connections 191
  6.2 Global Financial Systems 200
  6.3 Black Holes and the Borderless World 207

### IV LEGITIMACY

7 **Informal Economy Revisited**
  7.1 Opium Harvests: Links with the Trade 218
  7.2 Black Money: The Money Dealer's Perspective 238
  7.3 Effects of War 240
  7.4 Conclusion 245

8 **Symbols and Substance of Liberal Reform**
  8.1 What They Want: Transformation 257
  8.2 How They Engage: The Bargain 261
  8.3 Principles and Pragmatism 273
  8.4 Conclusion 278

9 **Concluding Remarks** 287

*Bibliography* 298
*Appendices* 329
*Index* 351