

Agricultural Aspects of Afghanistan's Opium Economy

Jorrit Kamminga, MA

The Senlis Council

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Introduction

The agricultural sector is the central pillar of the Afghan economy and currently the main engine for economic growth in Afghanistan. Approximately four fifths of the Afghan population live in rural areas, most of whom are either farmers or farm labourers. According to the US government, around 85% of the Afghan population (estimated at around 25 million people) depend on the agricultural sector for its survival.

The Food and Agricultural Organisation (FAO) estimates that approximately 12% of the total land area in Afghanistan is arable. The rest is either too dry or too rugged for farming purposes and covered by forests (2%), permanent pastures (46%), is mountainous or desert.³ Afghanistan's legal agricultural sector mainly evolves around subsistence crops like wheat and other grains, sugar beets, cotton, rice, (dried) fruits and nuts. Grapes, apricots, and almonds generate higher income yields than subsistence-oriented and cereal crops, and are potential export products.⁴ Alongside these forms of agricultural produce, grazing constitutes another activity of importance in Afghanistan.

http://www.whitehouse.gov/infocus/nationalsecurity/rebuildingafghanistan.html



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¹ FAO, Agriculture and Food Production in Post-war Afghanistan. A report on the Winter Agricultural Survey 2002-2003.

² US Government, Whitehouse rebuilding Afghanistan [online] Available at:

³ FAO, Afghanistan's country profile: Agriculture, [online] Available at: http://www.fao.org/world/afghanistan/prof_ag_en.htm.

⁴ World Bank, Afghanistan-State Building, Sustainable Growth, and Reducing Poverty (2005), p.13.

The country has many herds of sheep, cattle, goats, horses, camels and donkeys. This livestock sector produces milk, meat and wool.⁵

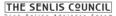
The Afghan government and the international community are currently working hard to revive the agricultural sector. According to the Asian Development Bank, decades of war, civil conflict, exploitation and enforced neglect have resulted in degraded natural resources, damaged infrastructure and fragmented rural institutions. The World Bank maintains the view that expansion of irrigation, improved farming techniques, diversification and an improved transport infrastructure would do much to improve the current state of the Afghan agricultural sector.

1 Agricultural aspects of the opium economy of Afghanistan

Opium poppy can be considered a traditional crop in Afghanistan although it had a very limited presence in the country throughout the centuries. In most parts of the country, opium poppy was not introduced until the 1990s. Consequently, opium consumption also remained relatively low until recent years. Only in a few places, such as the northern province of Badakshan, was opium cultivation a significant part of agricultural production.

Nevertheless, at present a large proportion of Afghanistan's agricultural sector is dominated by the illegal cultivation of opium poppy and the subsequent harvesting of opium material. According to the United Nations Office on Drugs and Crime (UNODC), there were 356,000 Afghan households involved in opium cultivation in 2004. That amounts to approximately 2.3 million people or roughly 10% of the Afghan population. During the 2003-2004 growing season, Afghan farmers cultivated opium

6 Asian Development Bank, Rebuilding Afghanistan's Agriculture Sector (2003), p.1.



⁵ Ibid

⁷ Afghanistan-State Building, Sustainable Growth, and Reducing Poverty, p.13.

⁸ UNODC, The Opium Economy in Afghanistan. An International Problem (2003), p.87.

⁹ Opium Economy in Afghanistan, p.88.

¹⁰ UNODC, Afghanistan. Opium Survey 2004, p.1.

¹¹ Opium Survey 2004, p.1.

poppy on 131,000 hectares, representing a 64% increase compared to the previous year.12

According to the UNODC Farmers' Intentions Survey for 2003-4, the main reasons for Afghan farmers to grow opium poppy are:

- 1) Persistent poverty and lack of alternatives;
- 2) The relatively high price that can be obtained for opium;
- 3) Access to credit from traffickers and related loan and debt arrangements.13

Opium poppy cultivation has broadly increased in recent years and can currently be found in all 34 provinces of Afghanistan. 14 Opium production has become the leading economic activity in the country. 15 A brief survey of the history of opium poppy cultivation in Afghanistan shows that the relatively recent growth of the opium economy over the past 26 years is strongly linked to the country's history of occupation, armed conflict, civil war and resulting harm to the agricultural economy, infrastructure and the entire economic system.

2 A short history of opium poppy cultivation in Afghanistan

The history of opium cultivation in Afghanistan is closely related to the country's history of war, foreign occupation and internal conflict. As such, the opium economy can be described as:

"partly an outcome and partly a cause of these processes - the war created the conditions in which opium production could thrive, but

13 UNODC, Afghanistan. Farmers' Intentions Survey 2003/2004, pp 15, 16.



¹² Opium Survey 2004, p.3.

¹⁴ Opium Survey 2004, p.3.

¹⁵ Byrd and Ward, Drugs and Development in Afghanistan, The World Bank: Social Development Papers. Conflict Prevention and Reconstruction (2004), p.2.

opium has also helped create a self sustaining war economy in which there may be limited incentives for putting the state back together."¹⁶

In the 1920s, Afghanistan's opium production was still low and mainly limited to the provinces of Badakshan (north-eastern Afghanistan), Herat (east) and the area around Jalalabad (the province of Nangarhar in western Afghanistan).¹⁷ In Nangarhar province, opium poppy was mainly used as a cash crop, while in Badakshan it was predominantly used for medicinal purposes. In 1932, recorded opium production levels in Afghanistan amounted to 75 metric tons, a far cry from the 4,200 and 4,100 metric tons production estimated by UNODC for the years 2004 and 2005.¹⁸

The corresponding area under cultivation in 1932 was said to be less than 4,000 hectares. 19 Up until 1978, the year of the pro-Communist coup, experts estimated the annual Afghan production to be around 300 metric tons. ²⁰ However, the Soviet invasion of December 1979, which initiated two decades of occupation, civil war and foreign influence in Afghanistan, can be considered the starting point for massive opium poppy cultivation and opium production in Afghanistan. With the gradual decline of state authority during the Soviet occupation (which ended with the Russian retreat on February 15, 1989) and the civil war that followed suit, opium poppy cultivation expanded.²¹

Opium poppy was one of the few crops capable of generating substantial revenue after the formal agricultural economy was almost entirely destroyed by the war. The Soviet regime quickly started exporting opium and heroin from Afghanistan.²² Moreover, opium production and trade was stimulated by the anti-Soviet mujahideen and the Pakistani Directorate of Inter-Services Intelligence (ISI) in order to obtain credit and



¹⁶ Goodhand, Frontiers and Wars: a study of the opium economy in Afghanistan (2003), p.2.

¹⁷ IRIN, Bitter-Sweet Harvest: Afghanistan's New War. IRIN Web Special on the threat of opium to Afghanistan and the region (July $2004), p.42. \ [online] \ Available \ at: \ http://www.plusnews.org/webspecials/opium/opium-webspecial.PDF.$

¹⁹ Opium economy in Afghanistan, p.88.

²⁰ US Congressional Research Service, Afghanistan: Narcotics and US Policy (December 2004) ,p.2.

²¹ Afghanistan: Narcotics and US Policy, p.7.

²² Steinberg, "The Golden Crescent Heroin Connection", Executive Intelligence Review (October 1995).

financing for the expensive war effort to topple the Communist regime. Quickly after the Soviet invasion, opium had become the central pillar of Afghanistan's war economy. Many regional commanders in Afghanistan used illegal opium income to purchase weapons.

With the retreat of the Soviet army in 1989, opium production did not disappear, but continued to provide a major source of income for different Afghan factions in the ensuing civil war. In fact, the end of the war between the Soviet Union and the *mujahideen* forces caused an enormous decline in US and Soviet investment in Afghanistan, which increased the importance of opium and the dependence on opium poppy in war-torn Afghanistan. While the annual growth rate for opium production was 14% during the Soviet occupation, it increased substantially to 19% between 1989 and 1994.²³ Different *mujahideen* groups became huge producers of opium and fought each other for the control of the major opium fields in areas such as the Helmand Valley in southern Afghanistan.²⁴ Almost two decades of conflict had caused a phenomenon that mostly started as a *drugs-for-arms* trade to become a formal economic system.

The rise of the Taliban began in 1994. From 1996 onwards, this reformist Islamic movement (mostly Pashtuns) already controlled about 90% of Afghanistan. They were involved in a military conflict with a coalition of ethnic minorities in the northern part of the country. The centralization process that followed the rise of the Taliban regime ended the absence of state authority in Afghanistan and partially restructured the economy. However, it did not end Afghanistan's dependence on opium. On the contrary, between 1996 and 1999, opium poppy cultivation doubled.²⁵ In fact, the year 1999 saw the all-time record opium production of 4,600 metric tons.²⁶

This enormous surge in production led to international concern, mainly stemming from countries that were faced with increasing addiction rates because of the increased supply of Afghan illegal drugs flooding the international markets. In pursuit of diplomatic

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²³ UNODC, The Opium Economy in Afghanistan. An International Problem (2003), p.5.

²⁴ The Golden Crescent Heroin Connection.

²⁵ UNODC, The Opium Economy in Afghanistan. An International Problem (2003), p.5.

²⁶ UNODC, Afghanistan Opium Survey 2002, p.4.

recognition and international support, Taliban supreme leader Mullah Muhammad Omar pronounced a ban on opium poppy cultivation in Afghanistan on July, 28, 2000.²⁷ A religious edict was added to this ban, which made opium cultivation (but not opium trafficking) contrary to the tenets of Islamic law (haram). Most of those rural households that had been involved in its cultivation before the ban had made salaam contracts for the 2001 opium harvest. The Taliban did not, however, see fit to cancel these contracts, which meant that these peasants were unable to pay their debts. The Taliban's ban was strictly enforced and poppy cultivation almost completely disappeared from Afghanistan. In 2001, opium cultivation reached a record low of 185 metric tons (cultivated on a mere 7,600 hectares).²⁸ However, prices rose, and this prompted a massive return of opium cultivation in 2002. Moreover, the ban made surplus opium stocks very profitable and the Taliban continued to profit from the opium trade. On 2 September 2001, Mullah Omar announced that the ban would remain effective during a second year. However, the terrorist attacks of 11 September 2001 on the United States entailed that the impact of this second consecutive year of enforcing the opium ban would never be known.

Taliban-held territories were invaded on October 7, 2001 by the Northern Alliance and the US-led international coalition.²⁹ Within approximately two months, this international coalition had defeated all substantial forces of the Taliban in Afghanistan, leaving only small pockets of resistance. The power vacuum that was left after the defeat of the Taliban in December 2001 allowed farmers to re-plant opium poppy. Moreover, farmers had little choice: since the traffickers could not collect on their loans made before the Taliban ban on cultivation, they monetized the debt at the new high prices, plunging opium growing families into deeper debt.

Sworn in on the 22 December 2001, the Interim Government in Afghanistan, led by Hamid Karzai, was clearly not able to control this resurgence of opium poppy cultivation and poppy production, despite decrees to combat the drug problem in



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^{27 &}quot;After the Taliban. New figures show Afghanistan's opium output is rising fast", The Economist (18 November 2004).

²⁸ UN, Press release SOC/NAR/880: "Area under opium poppy cultivation in Afghanistan increased by 8%, UN says" (29 October 2003).

²⁹ The Northern Alliance is a multi-ethnic group primarily comprised of three non-Pashtun ethnic groups: Tajiks, Uzbeks and the Hazaras. "Who are the Northern Alliance?", BBC News (13 November 2001).

Afghanistan. (Successive decrees were passed on 17 January 2002, 3 April 2002 and August 2002 concerning a ban on opium cultivation, production, processing and trafficking.)³⁰ The strategy of continuing where the Taliban left off did not work. The ban under the Taliban regime had driven farmers further into poverty and debt. Moreover, opium prices were booming as a direct result of the ban. This proved to be a strong incentive for farmers to enter or re-enter the opium economy, especially because sustainable economic alternatives were – if at all – only gradually becoming available.

Since the end of 2001, efforts to curb opium poppy cultivation have had very limited results. According to UNODC, potential opium production has increased from 3,400 metric tons in 2002, 3,600 metric tons in 2003 to 4,200 metric tons in 2004.³¹ This year, the total potential opium production in Afghanistan is estimated to amount to around 4,100 metric tons, a decrease of only 2% compared to last year's harvest.³²

3 The tradition and culture of opium poppy cultivation in Afghanistan

It is said that opium has flourished in the country's southern desert region and in Northern provinces like Badakshan since the time of Alexander the Great (4th Century B.C.) when it was used as a medicine.³³ Its hardy nature is well suited to conditions in Afghanistan with its arid valleys, rugged terrain and unreliable natural irrigation.

Until the late 20th century, cultivation was largely situated in the provinces of Badakshan, Herat and Nangarhar. Production was modest and directed towards the national market.³⁴ International concerns about local consumption in Afghanistan led to the prohibition of opium cultivation in 1945.³⁵

32 UNODC, The Opium Situation in Afghanistan (29 August 2005). [online] Available at:

 $http://www.unodc.org/pdf/afghanistan_2005/opium-afghanistan_2005-08-26.pdf.$

³⁵ Opium economy in Afghanistan, p.88.



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³⁰ Afghanistan: Narcotics and US Policy, p.24.

³¹ Opium Survey 2004, p.4.

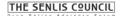
³³ Harding, "Taliban to lift ban on farmers growing opium if US attacks", The Guardian (25 September 2001).

³⁴ Thoumi, untitled, paper presented at the Paris International Symposium on Global Drug Policy: local Innovations and International Challenges, organised by The Senlis Council (26 November 2004), p.3.

Quite apart from its illegal trade, poppy cultivation continues to play a strong traditional role in Afghan, culture and society. Given the lack of medical care in Afghanistan, in some regions, many people – especially women and children – smoke or eat opium as a self-prescribed medicine within their families.³⁶ Traditional uses among minority groups such as the Tajik Ismailis and the Turkmens have many bases, from providing stamina to enhancing physical strength.³⁷ It also serves as a medicine for over 50 diseases. Especially in remote areas in Afghanistan, the population is often forced to smoke or eat opium as a medicine because of the lack of suitable alternatives. Opium is, for example, used as a pain killer to counter respiratory problems or for cough relief and to treat diarrhoea.³⁸ It is blown into the mouths of children or rubbed on the lips or other body parts to provide the medicinal effect.³⁹

In some provinces like Badakshan, opium poppy by-products have multiple uses: poppy seed oil is used for cooking and the dried stalks of the poppy plant as firewood and animal fodder (known in some regions as *konjara*). In general, opium poppy seeds are often used in cooking (especially for baking purposes), as a moisturizing oil and in making soaps, paints and varnishes. Finally, *Poppy straw*, a term that normally includes all dried and cut parts but the seeds of the poppy plant, is used as a winter fuel in Afghanistan.

Opium poppy cultivation plays an important social role in many Afghan families. The labour-intensive nature of opium harvesting and production requires the input of entire households. Commonly, children will work in the fields, whereas women will be involved in numerous stages of poppy cultivation: planting, weeding, thinning, lancing the capsules, cleaning the seeds and processing by-products such as oil and soap. In the capsules, cleaning the seeds and processing by-products such as oil and soap.



³⁶ Bitter-Sweet Harvest: Afghanistan's New War: Chapter: Women and addiction.

³⁷ Ibid.

³⁸ Ibid.

³⁹ UNDCP, Afghanistan. Strategic Study #6. The Role of Women in Opium Poppy Cultivation in Afghanistan (2000), p.2.

⁴⁰ Ibid.

⁴¹ Ibid,3.

Opium is also central to Afghan society as a source of credit. The widespread system of salaam provides advance payments on opium to most opium farmers in Afghanistan.⁴² Opium is also a source of savings and investment: it is a non-perishable, low-weight, high-value product and has a relatively stable value over time.⁴³ Therefore, it can be stored until prices go up or it can be purchased and resold to obtain cash loans under a system known in some regions as anawat.44

The clear downside of the credit system based on opium is that farmers often face rapidly escalating debts, especially in those cases where droughts or eradication destroy an opium poppy crop or harvest. 45 In such cases, the farmer's asset base is depleted and he is forced to take on more debt and become ever more dependent on the opium crop. 46

4 Technology and know-how available in Afghanistan to opium farmers and opium and heroin producers

Given the short duration of the opium poppy harvest, landowners usually identify skilled itinerant harvesters. Having the relevant experience is crucial in order to be recruited, and most harvesters learn how to lance and collect opium from relatives or friends. In some cases, only harvesters that have worked on the owner's land are recruited. Harvesters normally are between 10 to 55 years old and often work in groups. Due to uncertainty about the exact timing of the opium poppy harvest resulting from the varieties of the opium cultivated and different climatic conditions, the timing of the harvest may differ from one region to another and from one year to the next.⁴⁷ Thus, itinerant harvesters have an important role to play in the harvest season.



⁴² UNDCP, Afghanistan. Strategic Study #3. The Role of Opium as a Source of Informal Credit (1999), p.3.

⁴³ David Mansfield, Alternative Development in Afghanistan: "The Failure of Quid Pro Quo". Paper presented at the International Conference on The Role of Alternative Development in Drug Control and Development Co-operation. (2001), p.1. 44 Ibid.3. 4.

⁴⁵ Goeldner, "Roles and Opportunities for Rural Credit Initiatives in Afghanistan's Opium Economy", Workshop paper: Rural Finance in Afghanistan. The Challenge of the Opium Economy (8 December 2004), p.3.

⁴⁷ UNODC, Afghanistan. Strategic Study #4. Access to Labour: The Role of Opium in the Livelihood Strategies of Itinerant Harvesters Working in Helmand Province (1999), pp. 13, 14.

The most common technique used to prepare the poppy fields for planting is the "slash-and-burn" technique. This implies cutting down any trees and clearing and burning any vegetation in the plantation area. After that, farmers and labourers manually spread opium seed over the fields. The crop area has to be weeded constantly throughout the growing season. Once sprouting has taken place, identification of mature opium poppy capsules and lancing can commence.⁴⁸ In this process, timing is crucial, as lancing opium capsules prior to full maturation is thought to have a significantly adverse effect the final yield. Therefore, in order to identify mature opium bulbs, each capsule is tested by the harvester by squeezing them between thumb and forefinger prior to lancing. The depth of the incision is also believed to considerably affect the final yield.⁴⁹ If the incision is too deep, the skin of the capsule will be cut and the latex will oxidise in the capsule; if the incision is too shallow, the flow of the gum will be blocked.

The membrane of the bulb toughens as it matures over the period of the harvest. Farmers must make six or seven deeper incisions into the poppy bulb in order to extract all the opium. Three different lancing instruments, known as *neshtars*, each with blades of different length, are used by the experienced harvesters. Opium gum exudes from the bulb through these cuts. The next day, the farmer scrapes the gum off the capsules with a flat tool called a scraper. Each bulb is usually scored in this manner between three and five times, or until scoring produces no more opium. Once the gum is collected, the farmer sets it out to dry for several days, and then wraps it in leaves or plastic. The gum is stored until a trader comes to the village or brought at a later stage to an opium bazaar—opium gum has a very long shelf life and can gain value over time. The hundreds of seeds remaining in each capsule are processed by farmers for oil and only a fraction of the seeds from each harvest is needed for subsequent harvests. The remaining

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This report shows that, for instance, the harvest in Nawzad was reported to begin ten days earlier in 1999 than it had in the previous year due to particularly warm weather.

⁴⁸ UNODC, Afghanistan. Strategic Study #1. An analysis of the Process of Expansion of Opium Poppy Cultivation to New Districts in Afghanistan (1998), pp. 8, 9.

⁴⁹ Afghanistan. Strategic Study #4. Access to Labour, p.15.

⁵⁰ Ibid.

seeds are normally crushed into edible oil. Evidence shows that from 10 kg of seed, 5 kg of rich oil can be processed, which is either sold or used for household consumption.⁵¹

Once the opium enters the illegal market, a merchant or broker buys the opium for transport to a morphine "refinery". If possible, most traffickers carry out refining close to the poppy fields, since compact morphine bricks are much easier to smuggle than bundles of pungent, jelly-like opium.⁵² At the refinery, which may be little more than a small house with some equipment, the opium is mixed with lime in boiling water. Boiling water is used to dissolve opium gum. 55-gallon drums are used for boiling vessels and burlap sacks are used to filter and strain liquids.⁵³ A white band of morphine forms on the surface, while organic waste sinks to the bottom. The morphine is collected, reheated with ammonia, filtered and boiled again until it is reduced to a brown paste. This paste is poured into moulds and dried in the sun, after which it becomes morphine base.

The process of making heroin out of morphine involves boiling morphine and a common chemical, acetic anhydride, for some hours, along with sodium carbonate, activated charcoal, chloroform, ethyl alcohol, ether, and acetone. The two most commonly produced heroin varieties are called "Number 3 heroin" or smoking heroin, and "Number 4 heroin" or injectable heroin.

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⁵¹ Bitter-Sweet Harvest: Afghanistan's New War.

⁵² McCoy, The politics of Heroin: CIA complicity in the Global Drug Trade (2003).

⁵³ Ibid.

5 Territorial governance: The relationship between farmers and local, regional and Central Government

According to the Afghan Ministry of Rural Rehabilitation & Development (MRRD), three key elements are required for the promotion of good local governance:⁵⁴

- The establishment of a framework for village level consultative decision-making and representing local leadership;
- Developing local capacity of identifying and prioritising development needs at the local level;
- Promotion of sub-national governance capacities at district and provincial level.

The Ministry for Counter-Narcotic's 2005 *Counter Narcotics Implementation Plan* is formulated to be consistent with these three elements and has designed a building-institution structure in order to accelerate territorial governance.⁵⁵ Accordingly, the government intends to establish "District Development Councils" and "Provincial Development *Shuras*".⁵⁶ These entities will be responsible for identifying district and provincial development priorities. They should produce recommendations of priorities for so-called Provincial and District Development Plans. The Development Councils and *Shuras* will also have to ensure compliance with the ban on opium cultivation.

Alongside these entities, Provincial Development Committees (PDCs) will have to act as final decision-making bodies when it comes to development projects in the province. These Committees will be chaired by the local governor, and will also include the relevant Ministries, such as Agriculture, Counter Narcotics, and Rural Rehabilitation and Development. Moreover, UN agencies, international partners, NGOs and the Provincial Reconstruction Teams (PRTs) will have a position on the PDCs. They will

⁵⁴ Islamic Republic of Afghanistan, Ministry of Rural Rehabilitation & Development, "Equitable Growth through poverty reduction, making the poor and asset rather than a liability to economic growth," PowerPoint Presentation, 2005.

⁵⁵ Islamic Republic of Afghanistan, 1384 (2005) Counter Narcotics Implementation Plan. [online] See the website of the Canadian Embassy in Afghanistan: http://www.afghanistanembassy.ca/en/counter_narcotics/index.php.

⁵⁶ Counter Narcotics Implementation Plan. Chapter on "Provincial structures".

have to formulate the Provincial Development Plans by providing technical assistance to the Provincial *Shura* and Ministries involved.

In Pashtun communities, decision-making lies with the *jirga*, a permanent council of respected and powerful elders.⁵⁷ In non-Pashtun communities, the *shura* is the name given to this council. The power of *shuras* and *jirgas* is inversely related to the relative power of central government. At the village level, Afghans' primary allegiance lies with their local community and the authority of the local council.⁵⁸ This reinforces local tribal and ethnic loyalties. The *jirgas* and *shuras* also sometimes play an important role in the agricultural economy, supplying agricultural inputs such as seed and fertilizer, as well as providing a point of interface with development agencies.⁵⁹

Despite these provincial structures and traditional community decision-making mechanisms, territorial governance in Afghanistan is seriously influenced by warlords' activities. In some regions, local and regional leaders hold enormous power, maintain private armies forming a major impediment to effective law enforcement. In northeastern Afghanistan, for example, warlords are particularly powerful. In provinces such as Badakhshan, local warlords are said to be stronger and better equipped than the police. They are often blamed for human right violations, land-grabbing from farmers and undermining local government. There are often armed clashes between different groups over territorial disputes, border crossings and transportation routes for illegal drugs.

Warlords can therefore be seen to wield considerable power over farmers and land ownership.⁶³ In some regions, rural households have closer ties with warlords than they do with local or provincial institutions or government officials. As such, warlords may represent an additional *de facto* layer of local administration. Indeed, warlords may well

59 Goeldner, Rural Finance in Afghanistan, p.9.

63 Bitter-Sweet Harvest: Afghanistan's New War.



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⁵⁷ Coleridge, Development, Cultural Values and Disability: The Example of Afghanistan (March 1998).

⁵⁸ Ibid.

⁶⁰ IRIN News, "Afghanistan: focus on warlordism in northeast" (1 June 2005).,

⁶¹ IRIN News, Afghanistan: Trial of strength as governors take on warlords (23 December 2004).

⁶² Ibid.

collect taxes on farmers' profits, and supply them with weapons and vehicles.⁶⁴ The influence of warlords thus poses a serious structural impediment to effective relations between farmers and the Afghan government. The problems are compounded when it is considered that in many rural areas, a government presence is often entirely absent.

The Afghan central and local authorities are faced with a serious dilemma: on the one hand, the government is trying to get rid of illegal poppy cultivation and decrease Afghanistan's dependence on the illegal opium industry. On the other hand, many farmers, field labourers and their families are fully dependent on illegal opium production for their daily income. 5 356,000 families were said to be involved in opium poppy cultivation in 2004. In Afghanistan, this dilemma has already led to serious social protest when government police forces were trying to eradicate fields of opium poppy. One of the first incidents took place in the leading poppy cultivating province of Kandahar. Opium farmers were of the opinion that forced destruction of opium poppy crops had taken place without any accompanying alternative livelihoods policy. 67

Relationships between farmers and the Afghan government are further complicated by the nascent law enforcement capacity of the government and the shortage of critical infrastructure in the countryside. With the new Constitution, the establishment of a new government and the channelling of resources coming from the International Community, Afghanistan is trying to structure farmer-government relations through local institution building and the initiation of development programmes. The Ministry of Rural Reconstruction and Development plays a leading role in this process of making the present situation of farmers less difficult.

Recent efforts carried out by the government in order to strengthen the power of local authorities by ensuring national security and control over the Afghan territories are now resulting in confrontations between warlords and local authorities, for example in

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⁶⁴ Jason Manning, "Combating Poppy Production", Online NewsHour (August 2003).

⁶⁵ World Bank, Afghanistan. Poverty, Vulnerability and Social Protection: An Initial Assessment (2005), p.12.

⁶⁶ Afghanistan Opium Survey 2004, p.5.

 $^{67\} IRIN\ News, "Afghanistan:\ Protest\ against\ opium\ eradication"\ (14\ April\ 2005).$

Faryab (north-west Afghanistan).⁶⁸ Ensuring security in the isolated provinces and solving the problem of illegitimate power of local commanders will be key issues in the immediate future of Afghanistan. Doing so will give local government effective power and the opportunity to work more effectively with farmers on rural development and alternative livelihood programmes.

In this context, a system of licensed opium production can play an important role. At the local level, such a system would bring together local government, farmers and other wage labourers to work jointly on a project strengthening the local legal economy. In so doing, it would facilitate local governmental control over legal economic activities, strengthen local government institutions, and thus provide significant leverage for the successful implementation of other alternative livelihood programmes and rural rehabilitation projects. At a more macro-level, this could go a long way towards improving stability and security within the major opium-growing provinces.

5.1 Main provinces of cultivation and production: Recent trends and shifts

Opium cultivation in Afghanistan has increased significantly in recent years. In 2004, 67% of the global opium poppy cultivation took place in Afghanistan. The area under cultivation increased from about 80,000 hectares in 2003 to 131,000 hectares in 2004 (see the table below). The 64% increase recorded that year is in line with the assessment of farmers' intentions made at the beginning of the planting season.⁶⁹ However, unfavourable weather conditions (insufficient rain and cold temperatures) and disease kept potential opium production in Afghanistan at around 4,200 metric tons, representing an increase of only 17% compared to 2003. The overall increase in area under cultivation was due to new farmers shifting to opium poppy cultivation and to

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⁶⁸ IRIN News, "Afghanistan: Trial of strength as governors take on warlords" (23 December 2004), [online] Available

 $at: http://www.irinnews.org/report.asp? ReportID=44802 \& SelectRegion=Central_Asia \& SelectCountry=AFGHANISTAN.$ 69 UNODC, Farmers' Intentions Survey 2003/2004;

UNODC, Afghanistan Opium Survey 2004, [online] Available at: http://www.unodc.org/pdf/afg/afghanistan_opium_survey_2004.pdf. 70 UNODC, World Drug Report 2005, p.39.

farmers dedicating a larger piece of land to opium poppy growing.⁷¹ Compared to 2004, the year 2005 reveals a modest decrease in potential opium production from 4,200 to 4,100 metric tons (2%) and a fall in total cultivation from 131,000 to 104,000 hectares (21%).⁷²

In terms of cultivation within Afghanistan, opium poppy is now cultivated in all 34 provinces of the country. Cultivation has increased from 18 provinces in 1999, 23 in 2000, 24 in 2002 and 28 provinces in 2003. However, the bulk of opium poppy cultivation is relatively concentrated; in 2004 just three provinces accounting for 73,000 ha, or 56% of the total area under cultivation: Helmand (29,400 ha), Nangarhar (28,200 ha) and Badakhshan (15,600 ha). If one adds the next three provinces of Uruzgan, Ghor and Kandahar, 72% of the total cultivation of opium poppy took place in six provinces and 28% in the remaining 26 provinces. The 2005, the provinces of Helmand, Kandahar, Balkh, Farah and Badakshan together accounted for 65% of total poppy cultivation in Afghanistan. Poppy cultivation in the provinces of Uruzgan, Ghor and Nangarhar has decreased significantly, by 58.4, 46 and 96% respectively.

In 2004, 92% of cultivation took place on fertile irrigated land. The expansion of opium poppy cultivation came at the expense of cereal cultivation, notably of wheat, which declined significantly in 2004. Opium poppy cultivation continues, nevertheless, to cover a relatively modest share of the national agricultural land (3% in 2004, up from 1.6% in 2003). By comparison, wheat covered 39% of all agricultural land in 2004. Opium poppy's share can, however, reach much higher levels in some of the provinces such as 29% in Nangarhar, 28% in Badakhshan and 24% in Kunar. The expansion of opium poppy.



⁷¹ UNODC, Afghanistan Opium Survey 2004, p.5.

⁷² UNODC, The Opium Situation in Afghanistan (29 August 2005), pp. 2, 3.

⁷³ UNODC, World Drug Report 2005, p.39. [online] Available at: http://www.unodc.org/pdf/WDR_2005/volume_1_chap1_opium.pdf.

⁷⁴ UNODC, Afghanistan Opium Survey 2004, p.3.

⁷⁵ Ibid,24.

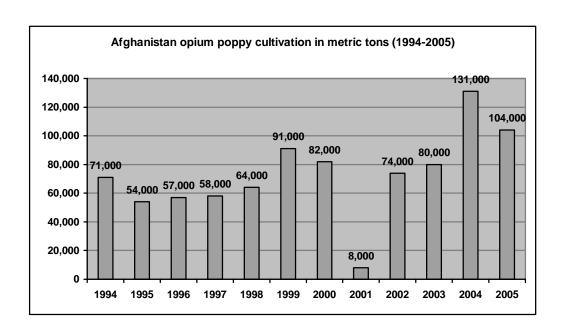
⁷⁶ UNODC, The Opium Situation in Afghanistan (29 August 2005). Statistical Annex, p.1.

⁷⁷ Ibid.4

⁷⁸ UNODC, Afghanistan Opium Survey 2004, p.4.

Opium prices are inversely proportional to supply trends in Afghanistan. They are generally declining with increasing supplies. The average price for fresh opium at the time of harvest, weighted by regional opium production, amounted to US\$92 per kilogram in 2004, a 69% decline on the previous year's price. However, prices for fresh opium at the farm-gate are still two to three times higher than in the second half of the 1990s.⁷⁹

The opium poppy harvest typically begins in the southern parts of Helmand in the districts of Marja, Nahr-e-Saraj and Nad-e-Ali. In 2004, the main harvest in the eastern and south-western regions of Afghanistan started early April compared to mid-April in 2003. Around one month later, opium is harvested in the northern regions. Finally, harvesting season reaches the higher altitude areas of the central and north-eastern regions.



⁷⁹ UNODC, World Drug Report 2005, p.40.

⁸⁰ Strategic Study #4. Access to Labour: The Role of Opium in the Livelihood Strategies of Itinerant Harvesters Working in Helmand Province, Afghanistan. [online] Available at: http://www.unodc.org/pakistan/en/report_1999-06-30_1_page006.html 81 UNODC, Afghanistan Opium Survey, p.51.

⁸² Ibid.

Feasibility Study on Opium Licensing in Afghanistan for the Production of Morphine and Other Essential Medicines

Source: Adapted from UNODC, The Opium Situation in Afghanistan (29 August 2005).

Statistical Annex, p. 1.

The UNODC Afghanistan Rapid Assessment Survey (RAS survey) of 2005 showed a

falling trend in opium poppy cultivation in the majority of Afghanistan's 34 provinces,

with many farmers having refrained from planting.⁸³ The survey showed that the two

main reasons reported by villagers for the expected reduction in cultivation were respect

for the Government's ban on opium poppy cultivation, and fear of eradication. The

survey also showed that the low yields of opium poppy in 2004, as well as the increased

wheat prices in 2005 influenced many farmers' decision to not plant poppy.

The RAS survey also compared expected provincial cultivation trends in 2005 and

opium poppy cultivation levels in the same provinces in 2004. This showed a decline of

cultivation in three out of four provinces with the highest opium poppy cultivation levels

in 2004. In Helmand, Nangarhar and Uruzgan provinces, which jointly accounted for

52% of the total area under opium poppy cultivation in Afghanistan in 2004, an

expected decrease in cultivation was reported.⁸⁴ The 2005 UNODC figures confirm this

decrease of 10% (Helmand), 58.4% (Uruzgan) and 96% (Nangarhar).

Only a few provinces were expected to show an increase of opium poppy cultivation in

2005: Kandahar (southern Afghanistan), Farah (south-west), Baghlan (north-east), Sari

Pul (north) and Badghis (north-west). 85 According to the RAS survey, farmers in these

provinces "were aware of the Government's ban on opium poppy cultivation and the

planned eradication campaign, but did not believe these would be enforced."86 However,

these provinces only accounted for ten% of the total area under opium poppy cultivation

in 2004. In 2005, three of the main opium-growing provinces showed increased

cultivation: Kandahar (162%), Balkh (334%) and Farah (348%).87 Three of the other

83 UNODC, Afghanistan Opium Rapid Assessment Survey.

84 Ibid,6.

85 Ibid.6.

86 Ibid.6.

 $87\ UNODC, The\ Opium\ Situation\ in\ Afghanistan\ (29\ August\ 2005).\ Statistical\ Annex,\ p.1.$

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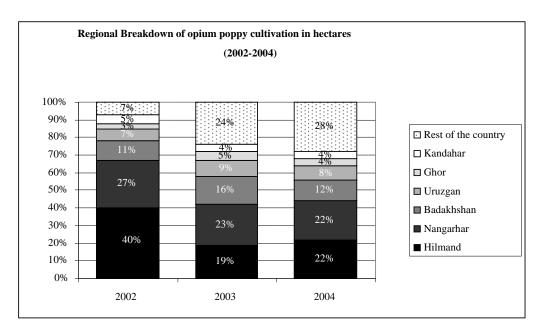
main opium-growing provinces, however, showed decreases in opium poppy cultivation: Helmand (10%), Badakshan (53%) and Nangarhar (96%). 88

Main opium poppy cultivation provinces in Afghanistan in 2005 (hectares)

Province	2003	2004	2005	Change 2004-	% Total in	Cumulative
				2005	2005	%
Helmand	15,371	29,353	26,500	-10%	25%	25%
Kandahar	3,055	4,959	12,989	162%	12%	38%
Balkh	1,108	2,495	10,837	334%	10%	48%
Farah	1,700	2,288	10,240	348%	10%	58%
Badakshan	12,756	15,607	7,370	-53%	7%	65%
Rest of	46,010	76,298	36,064	-53%	35%	100%
Country						
Rounded	80,000	131,000	104,000	-21%		
Total						

Source: Adapted from UNODC, The Opium Situation in Afghanistan (29 August 2005). Statistical Annex, p. 1.





Source: UNODC Afghanistan Opium Survey 2004

5.2 Different varieties of opium poppy

A wide variety of opium poppy types are cultivated in Afghanistan. These varieties appear to differ on the basis of resistance to disease, drought and temperatures, as well as factors that influence the labour requirements for harvesting, including maturation rates, the size and number of capsules and the viscosity of the opium produced. Unfortunately there is little or no information available on the botanical names or details of the opium poppy varieties presently cultivated in Afghanistan.

A UNODC study conducted in Afghanistan in 1999 noted that the decision to cultivate certain varieties of opium poppy, or to mix varieties of opium poppy, can provide an indication of the different motivations and circumstances that influence household poppy crop cultivation:

"It is possible to see a wide diversity in the varieties of opium poppy cultivated not only within a relatively small area but also on a single household's plot of land. Discussions with farmers and key informants have indicated that each of these different varieties has different characteristics. The fieldwork for the study revealed that households cultivated different varieties of opium poppy to spread out the demand on both family and hired labour during the harvest period." ⁸⁹

To spread out the need for both hired and family labour, households have been found to cultivate different varieties of opium poppy with different maturation periods and to stagger the planting of opium poppy. Despite these efforts, the majority of opium-producing households still require hired labour during the opium poppy harvest. 90

Households appear to undertake a process of experimentation, cultivating different varieties of opium poppy over a number of years in an attempt to match household human resources and natural resources with the particular characteristics of the varieties of opium poppy available. Many farmers cultivate poppy varieties known to produce poor quality opium of low monetary value. However, these varieties appear to be less vulnerable to crop failure. This suggests that farmers do not select the variety of opium poppy purely on the basis of the highest returns, but also consider the security of the returns. ⁹¹

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⁸⁹ UNODC, Strategic Study #1. An Analysis of the Process of Expansion of Opium Poppy to New Districts in Afghanistan (Preliminary Report), Annex E. (June 1998). [online] Available at: http://www.unodc.org/unodc/en/alternative_development_studies_annex.html.
90 UNODC, Strategic Study #4. Access to Labour: The Role of Opium in the Livelihood Strategies of Itinerant Harvesters Working in Helmand Province, Afghanistan (June 1999). [online] Available at: http://www.unodc.org/unodc/alternative_development_studies_4.html.
91 UNODC, Strategic Study #1. An Analysis of the Process of Expansion of Opium Poppy to New Districts in Afghanistan (Preliminary Report).

5.3 Impact of eradication programmes on illegal poppy cultivation

Chapter 6 of the Afghan 1384 (2005) Counter Narcotics Implementation Plan stipulates that there will be a "credible, targeted and verified eradication campaign in 1383-84 (2004-2005) led by the new Afghan government."92 Indeed, the Afghan government and the International Community are committed to eradicating illegal opium poppy in Afghanistan. One can distinguish between two basic forms of eradication: voluntary and forced. After banning opium production in January 2002, the interim government of President Hamid Karzai started in April 2002 with its first eradication campaign. This included a strategy of voluntary eradication as farmers were offered a compensation of US\$ 250 (and later US\$ 300) per *jerib* (0.195 hectare) of destroyed opium poppy. 93 The eradication campaign started in the south where most illegal opium poppy is cultivated. However, only small areas of opium cultivation were destroyed in several regions of Afghanistan.

Overall cultivation in terms of the total amount of hectares under cultivation went up from 74,000 in 2002 to 80,000 in 2003. The strategy of compensation was quickly abandoned as it only seemed to stimulate cultivation and attract new farmers into the business. Moreover, only about one tenth of the farmers actually obtained compensation, which impoverished smaller and highly-indebted farmers and seriously harmed the credibility of the programme.94 Antonio Maria Costa, Executive Director of UNODC commented on the eradication policy in Afghanistan by saying that eradication of poppy needs to reach a threshold of credibility in order to work.⁹⁵

Eradication continued throughout 2003, 2004 and 2005. UNODC data shows that total production (both in metric tons and in total amount of hectares under cultivation) increased substantially from 2003 to 2004 and started to decrease from 2004 to 2005. 96

⁹⁶ UNODC, The Opium Situation in Afghanistan (29 August 2005), pp. 2, 3.



⁹² Islamic Republic of Afghanistan, 1384 (2005) Counter Narcotics Implementation Plan. [online]: See the website of the Canadian Embassy in Afghanistan: http://www.afghanistanembassy.ca/en/counter_narcotics/index.php.

⁹³ Hanley, "UN cites failure to uproot opium", Boston Globe (19 August 2002).

⁹⁴ World Bank, Afghanistan-State Building, Sustainable Growth, and Reducing Poverty (Washington 2005),p.121.

⁹⁵ IRIN, "Bitter-Sweet Harvest: Afghanistan's New War. Poppy eradication: The issues, the players and the strategies." [online] Available at: http://www.irinnews.org/webspecials/Opium/Erapop.asp.

In any event, total national production does not seem to have fallen significantly as a result of eradication. While a 21% decrease of poppy-cultivated land could be witnessed, potential output only decreased from 4,200 metric tons to 4,100 metric tons. UNODC estimates that about 5,100 hectares may have been eradicated in the spring of 2005, which would represent only about five% of the total 2005 opium cultivation, estimated at around 104,000 hectares. However, from 2004 to 2005, opium cultivation decreased with a total of 27,000 hectares. With only 5,100 hectares eradicated in 2005, this would indicate that more than 81% of this decrease cannot be attributed to opium poppy eradication. UNODC estimates that 72% of eradication took place in Nangarhar and Helmand, which both showed decreases in opium cultivation (10% and 96% respectively).

As a follow up to the "Opium Rapid Assessment Survey" from March 2005, the Government of Afghanistan and the United Nations Office on Drugs and Crime (UNODC) released a report called "Afghanistan: support to the verification process of opium poppy eradication" to monitor the 2005 governor-led opium poppy eradication campaign. This latest report confirms that eradication was more applied in the southern provinces than in Northern provinces, and that the eradication campaigns in Nangarhar, Laghman, Kunar, central Helmand and southern Uruzgan were effective. In eastern Afghanistan, non-cultivation was more widespread than elsewhere.

There is also evidence to suggest that poppy cultivation is moving to remote and rainfed farmlands, especially in northern Afghanistan. Although expectations indicate a general downward trend of poppy cultivation this year, increases have already been noted in some provinces including Farah, Kandahar, Sari Pul and Baghlan. Moreover, eradication efforts around Afghanistan have been confronted with several clashes between counter-narcotics police and poppy farmers which led in some areas to the

100 UNODC, The Opium Situation in Afghanistan (29 August 2005). Statistical Annex, pp. 1, 4.



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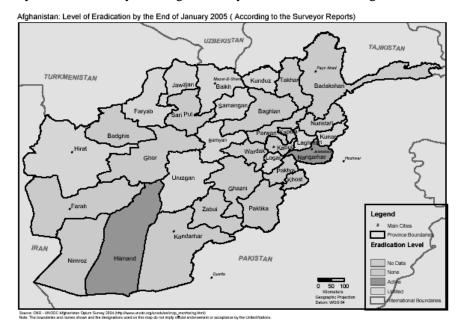
⁹⁷ Afghanistan-State Building, Sustainable Growth, and Reducing Poverty, p.128.

⁹⁸ The Opium Situation in Afghanistan, pp. 2, 3.

⁹⁹ Ibid.3.

suspension of eradication.¹⁰¹ Opium farmers claim that despite initiating eradication programmes, the Afghan government has not delivered on its promise to provide assistance, compensation and alternative livelihoods to farmers.¹⁰²

At the time of conducting the Rapid Assessment Survey in February 2005, opium poppy could still be planted in many of the Northern provinces. While farmers in the North were preparing their land for poppy cultivation, they were closely following eradication activities in southern Afghanistan to assess the possible risk associated with poppy cultivation. In December 2004, the Afghan Government announced a countrywide eradication campaign and requested the provincial Governors to implement this programme. Eradication figures as reported by the Governors to the central Government are given in the table of Eradicated Fields below. At the time of the Rapid Assessment Survey, there were very few reports of active eradication. Eradication was reported in only 9% of all surveyed villages, mainly in Helmand and Nangarhar.



Source: UNODC Afghanistan Opium Rapid Assessment Survey 2005 p.16.

104 Ibid,6.



¹⁰¹ IRIN, Afghanistan: Protest against opium eradication. [online] Available at:

 $http://www.irinnews.org/report.asp? ReportID=46645 \& SelectRegion=Asia \& SelectCountry=AFGHANISTAN. \\ 102 Ibid.$

¹⁰³ UNODC, Rapid Assessment Survey 2005, p.6. [online] Available at:

 $http://www.unodc.org/pdf/publications/rapid_assessment_afghan_2005.pdf.$

 $\textbf{List of Poppy Eradicated Fields} \ 25/10/2004-16/01/2005$

No.	Province	Poppy Eradicated	Other reports	
		(Jerib)	eradicated	
1	Kondoz	386		
2	Laghman	250	80%	
3	Nangarhar	250	60-70%	
4	Kandahar	131		
5	Ghazni	400		
6	Koner	3604	5,360	
7	Helmand	25873		
8	Urozgan	35000	20,000	
9	Zabul	118	35,000	
10	Samangan	842		
11	Heart	79		
12	Perwan	550		
13	Faryab	9		
14	Loger	5		
15	Jozjan	868		
16	Badakhshan	570	50% No cultivation	
17	Balkh	1825		
18	Badghis	794		
19	Sar-e-Pul	3		
20	Farah	39		
21	Baghlan	56		
	Total:	71,682		

Source: Islamic Republic of Afghanistan – Ministry of the Interior, Counter Narcotics Deputy Ministers Office, in UNODC Afghanistan Opium Poppy Rapid Assessment Survey, 2005.

Since 2002, the UK and US government have both put pressure on the Afghan government to eradicate opium poppy as soon as possible. For the year 2005, Washington initially allocated funds for eradication that totalled more than twice the amount allocated for alternative livelihoods (US\$313 million compared to US\$120 million). ¹⁰⁵

The fundamental problem with this strategy is that currently too many Afghan people and families are still dependent on the illegal opium economy. If eradication is undertaken before sustainable alternatives provide cash to farmers, crop eradication will prevent poor farmers from paying off their salaam contracts and mire them further in debt. A certain threshold of general development combined with viable alternative livelihoods and substantial poverty reduction must be reached in order for eradication policies to be effective in the long run.

Eradication by aerial spraying of chemicals, as under the US-inspired "*Plan Colombia*", is, at least for the time being, not an option in Afghanistan. President Karzai has openly opposed this damaging method of eradicating poppy crops. ¹⁰⁷ Moreover, the 1384 (2005) Counter Narcotics Implementation Plan explicitly states that "the Afghan government has a no aerial eradication policy."

In Colombia, the eradication campaigns carried out by aerial spraying of chemicals (and by manual eradication) have not led to a substantial reduction of coca cultivation. In 2004, coca cultivation decreased by 6,000 hectares (from 86,000 to 80,000 hectares). To obtain this modest reduction, an astonishing 139,161 hectares were eradicated that year. Moreover, 98% of these hectares were sprayed with chemicals. The remainder was manually eradicated by the Colombian Army. This

¹⁰⁵ Netherlands Institute of International Relations Clingendael, Afghanistan 2005 and Beyond. Prospects for Improved Stability Reference Document, p.64.

¹⁰⁶ Rubin, Road to Ruin: Afghanistan's Booming Opium Industry (2004), pp. 15, 16.

¹⁰⁷ Afghanistan 2005 and Beyond. Prospects for Improved Stability Reference Document, p.64.

¹⁰⁸ Islamic Republic of Afghanistan, 1384 (2005) Counter Narcotics Implementation Plan. [online] See the website of the Canadian Embassy in Afghanistan: http://www.afghanistanembassy.ca/en/counter_narcotics/index.php.

¹⁰⁹ UNODC, World Drug Report 2005, p.12.

¹¹⁰ Ibid,62.

raises serious doubts about the effectiveness of the eradication strategy in Colombia and elsewhere.

Quite apart from the manifest failure to achieve a serious reduction in coca cultivation, aerial spraying in Colombia has had several devastating drawbacks. First of all, chemical spraying of coca crops has serious negative consequences for the environment. The exact impact of herbicide spraying on the environment remains unclear and highly disputed, but it is clear that spraying does not only affect coca crops. Herbicides are sprayed over nearby food crops, fishing ponds and in national parks where coca is widely grown. Poor farmers complain that spraying ruins both their crops and their livelihoods. Moreover, forced eradication by aerial fumigation – especially when legal alternatives are not in place – often creates social unrest, instability and violence. In a country such as Afghanistan, chemical eradication would undo many of the achievements of the past years in terms of economic and political stability and provoke farmers to turn their backs on the newly established central government.

Moreover, eradication programmes are very costly, and the results can easily be undone simply by re-planting or shifting cultivation to other areas. Therefore, on the short term, it would make sense to spend the money earmarked for eradication instead on transition programmes such as licensed opium. In the short term, alternative livelihood and job creation, rural rehabilitation and general economic development should be the focus of Afghan drug policy – not eradication programmes.



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¹¹¹ Eduardo Cifuentes, the Colombian ombudsman stated in 2002 that he had received more than 6,500 complaints of aerial spraying planes fumigating food crops, leaving farmers without a livelihood, seriously harming the people's – especially children's – health and causing serious damage to the already sensitive eco-system of the Amazon region. Jeremy McDermott, "Colombia drug spraying 'hits weakest'", BBC News (10 October 2002).

¹¹² Yadira Ferrer, "Colombia: Anti-Drug Herbicide to Be Sprayed Again in Nature Reserve", International Press Service, (20 May 2005). 113 Elinor Shields, "US weighs costs of Plan Colombia", BBC News (5 July 2005).

 $^{114\} WOLA, Drugs\ and\ Democracy\ in\ Latin\ America:\ The\ Impact\ of\ US\ Policy\ (2004).\ Executive\ Summary,\ p.12.$

5.4 Alternative livelihood strategies

The "alternative livelihoods" concept is an evolution of "alternative development". Alternative development (AD) was the initial development-based strategy to counter illegal drug cultivation and supply, focusing mainly on crop substitution. It was described by the UN as:

"a process to prevent and eliminate the illegal cultivation of plants containing narcotic drugs and psychotropic substances through specifically designed rural development measures in the context of sustained national economic growth and sustainable development efforts in countries taking action against drugs."

In Afghanistan, The United Nations Drug Control Programme (UNDCP) started its first alternative development programme in June 1989 which lasted until March 1996. It consisted of different projects in many different poppy areas. In March 1997, the second AD programme was launched. Both programmes had very mixed results. Overall, opium poppy cultivation increased over this period and, moreover, in those areas where it decreased, a direct link with AD projects could often not be established.

Projects were overly focused on simply substituting crops. They did not take into account the different motivations and factors influencing households in their decision to cultivate opium poppy, and failed to include the poorest farmers. Moreover, political dynamics, such as negotiations with the Taliban regime at the end of the 1990s, hindered progress towards the introduction of sustainable alternative crops in Afghanistan. In the run-up to 2000, UNODC (then UNDCP) actively negotiated an opium ban with the

¹¹⁵ United Nations. "Measures to enhance international cooperation to counter the world drug problem," A/RES/S-20/4 (8 September 1998) Part E.

¹¹⁶ AD/AFG/89/580: "Afghanistan Drug Control and Rural Rehabilitation project."

¹¹⁷ AD/AFG/97/C28: "The Poppy Crop Reduction Project."

¹¹⁸ David Mansfield, "Alternative Development in Afghanistan: The Failure of Quid Pro Quo." Paper presented at the International Conference on The Role of Alternative Development in Drug Control and Development Cooperation. Feldafing/Munich, Germany (2001), p. 8

¹¹⁹ Afghanistan, Drugs and Terrorism, p.10.

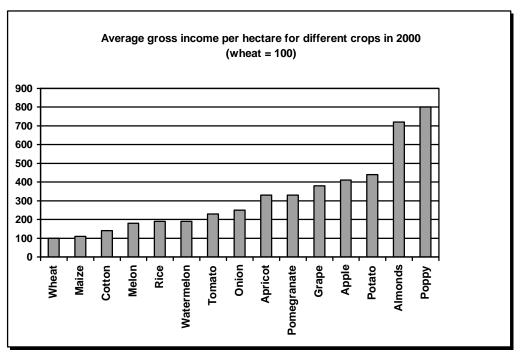
Taliban government in exchange for international aid and investment. It was reported that UNODC promised the Taliban government US\$250 million to support the ban. 120 This ban was enacted on 27 July 2000.

Currently, UNODC and many other organisations such as the German association for Technical Cooperation (GTZ), the Dutch development organisation Cordaid and the Danish Committee for Aid to Afghan Refugees (DACAAR,) are working on alternative livelihood programmes in Afghanistan. Projects are undertaken to stimulate the cultivation of alternative crops such as saffron, cotton or sugar beet. In many cases, these projects are aimed at reviving industries that have almost completely disappeared through war, conflict and drought. According to the International Centre for Agricultural Research in Dry Areas (ICARDA), high-value horticultural crops may possess the best income-raising potential for farmers in the long term. 121 However, ICARDA states that there are "no quick or easy solutions in sight". 122 Horticultural crops like raisins, pistachios, citrus fruit, figs, dates and almonds are relatively high-value crops, a feature that is very compatible with the small average farm size in Afghanistan of about 2 hectares. Table I below sheds light on the 2000 average gross value per hectare for horticultural and other agricultural crops.

¹²¹ ICARDA, Restoring Alternatives to Poppy, [online] Available at: http://www.icarda.cgiar.org/Afghanistan/Poppy.htm. 122 Ibid.

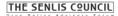


¹²⁰ Farrell and Thorne, "Where have all the flowers gone?: evaluation of the Taliban crackdown against opium poppy cultivation in Afghanistan", International Journal of Drug Policy 16 (2005), p.85.



Source: Adapted from FAO, Food security through sustainable crop production in Afghanistan. 123

The reach of alternative livelihood strategies extends beyond that envisaged by Alternative Development programmes. Alternative livelihood interventions aim at the development of all aspects of the rural economy, including for example, access to credit and employment in both farm and non-farm activities.¹²⁴ In order to be successful, an alternative livelihood programme should provide enough alternative off-farm and non-farm income opportunities for farmers and other labourers. It should contribute to generalised (rural) development and poverty alleviation through the creation of assets, markets and livelihoods.¹²⁵ The provision and introduction of alternative crops alone will almost certainly ensure failure.



¹²³ DP/AFG/96/004, Field document 1 (2000).

¹²⁴ Rubin, Road to Ruin: Afghanistan's Booming Opium Industry (2004), p.16.

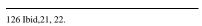
 $^{125 \} World \ Bank, \textit{Drugs and Development in Afghanistan} \ (2004), p.21.$

A system of licensed opium cultivation and production can play an important complementary role to other alternative livelihood projects. Such a system could boost legal forms of employment, stimulate the local economy and help it to reach the threshold of general development needed for different counter narcotics measures to be effective and necessary to move Afghanistan away from its current dependence on the illegal opium economy.

Another key advantage of licensed opium production systems is that as it is not necessary to dismantle existing opium cultivation traditions, capacity and know-how, they avoid the structural deficiencies of other alternative livelihood interventions being proposed and pursued. In a 2004 report, The World Bank described this deficiency in the following terms:

"Alternative livelihoods approaches are attractive, but as the primary instrument of a drug reduction strategy they suffer from major weaknesses in time scale, cost and effectiveness. Completing such programs would take many years and large resources, without visible reduction of drug production in the interim. Moreover, opium would remain the crop of choice, particularly for resource-rich farmers, and poorer farmers may continue to be bound to the opium economy by debt and their need to access land and credit." ¹²⁶

Another drawback to traditional alternative livelihood strategies is the fact that if sufficient alternative off-farm and non-farm opportunities are not created in the short term, farmers and – more importantly – itinerant farm workers and harvesters would move to other areas. This can be considered to be part of the so-called "balloon effect", when cultivation shifts to new areas because of counter narcotics policies or other factors. According to the UNODC, itinerant harvesters in Afghanistan are a major



contributory factor in the introduction of opium poppy into new districts in Afghanistan. 127

Conclusion

A system of licensed opium production for the production of essential medicines could circumvent the difficulties with alternative livelihood programmes that have been highlighted in this paper. By utilising existing farmers' expertise, know-how and technology to cultivate poppy for medicine, the establishment of such a system would not take the length of time required in the establishment of an entirely new alternative livelihood intervention.

A detailed investigation of the means by which licensed opium poppy cultivation could provide farmers with access to land and credit, and whether they could be given a guaranteed price for their crop or labour should be undertaken. Such a solution is clearly necessary to enable farmers to escape the current vicious circle of advanced payments, opium cultivation and production, and increasing debt levels resulting from adverse harvests or other factors such as eradication and interdiction. Bringing opium cultivation inside a legal framework also creates clear potential for introducing standard health and safety safeguards and experimenting with new biotechnologies.

Finally, introducing licensed opium production could perhaps counter the 'balloon effect' by providing short-term jobs for farmers and itinerant wage labourers before alternative livelihood programmes and other rural development projects reach maturity. Consequently, farmers and local labourers, especially young people, would not be forced to migrate to urban areas in order to find employment. Given the current size and importance of the agricultural sector in Afghanistan, a massive migratory flow towards the urban areas of Afghanistan is not desirable; current employment

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¹²⁷ UNODC, Afghanistan. Strategic Study #4. Access to Labour: The Role of Opium in the Livelihood Strategies of Itinerant Harvesters Working in Helmand Province, Afghanistan (1999), p.26.

opportunities would not be sufficient to accommodate such newcomers, and the urban centres do not in any way have the ability to absorb such an influx of poor labourers.

The system of licensed opium production that is being proposed in this Feasibility Study should be considered as a transitional alternative livelihood measure that should not only be considered as part of a long term economic strategy for Afghanistan, but also as a short-term bridge between counter narcotic interventions and rural economic development. As such, it could help create the conditions to facilitate the successful implementation of more medium- and long-term development strategies currently being proposed and pursued.

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