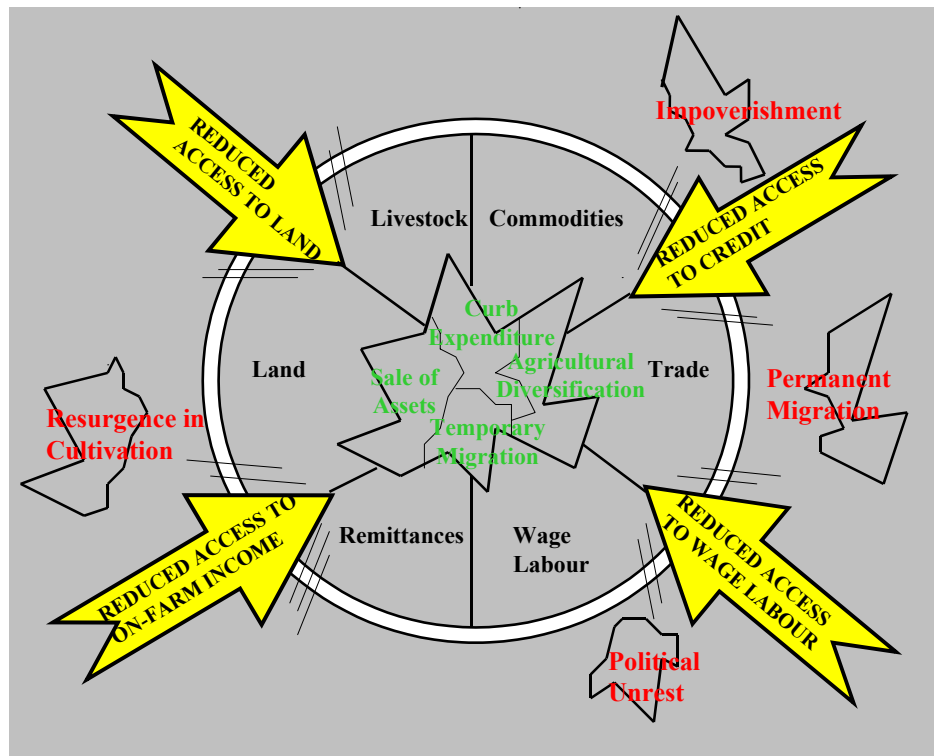


**Project for Alternative Livelihoods in Eastern Afghanistan
(PAL)**



Pariah or Poverty?

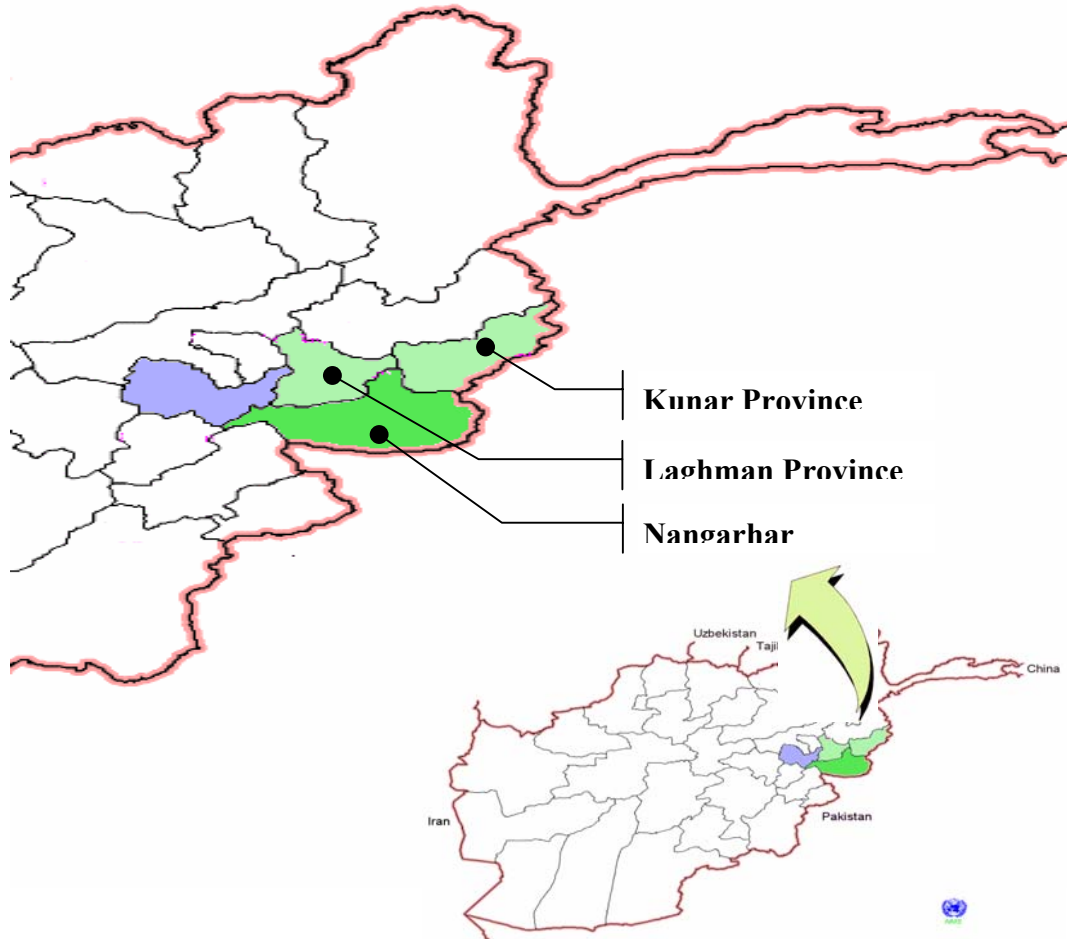
The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

Jalalabad, June 2005



Managed by the IS

PAL Project Area in Eastern Afghanistan



ABOUT PAL: The Project for Alternative Livelihoods in Eastern Afghanistan (PAL) is a 9 million €, 3-year project, funded by the European Union and partnered with the Ministry of Rural Rehabilitation and Development. The project works in the Provinces of Nangarhar, Laghman, and Kunar, and is managed by gtz International Services (gtz IS). The PAL Management Unit is located in Jalalabad.

The project goal is "to contribute to the reduction of poverty and facilitate the change from an opium-based economy to an alternative economic and social system".

This is accomplished through three components:

- The identification and implementation of community/village development activities with special focus on alternative income earning enterprises and associated infrastructure.
- Capacity Building of provincial and district administrations to assist them prepare and implement their own development plans.
- Policy advice to central and local government.

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PAL Internal Document No. 11

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Jalalabad, June 2005

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Table of Contents

EXECUTIVE SUMMARY	iii
1. Introduction.....	1
1.1 Objectives	1
1.2 Background	1
1.3 Methodology.....	2
2. Reductions in Cultivation: The Results and Process.....	3
2.1 A livelihoods rebalance	4
2.2 Moral Suasion and Coercion.....	6
2.3 The Destruction of Crops	7
3. Reductions in Cultivation: The impact.....	9
3.1 Access to land	10
3.2 Falling on-farm income	11
3.3 A loss of off-farm income	12
3.4 The drying up of credit	14
3.5 The multiplier effect.....	15
4. Reductions in Cultivation: The different coping strategies.....	17
4.1 Curbing expenditure	18
4.2 The sale of assets	21
4.3 Taking new loans.....	23
4.4 Agricultural diversification	24
4.5 Access to development assistance.....	26
4.6 Migration and remittances.....	28
5. Perceptions of the Ban	31
6. Conclusions: The Policy Dilemmas.....	32

Annexes

Annex 1: Terms of Reference

EXECUTIVE SUMMARY

The Government of Afghanistan faces some difficult challenges in the years ahead. Not least is its response to the problem of illicit opium poppy cultivation. It has come under considerable pressure to act swiftly against this problem. The perception is that a failure to do so may threaten the state building exercise, both allowing those with links to the illegal trade into positions of influence within the economy and political fabric, as well as turning Afghanistan into a pariah state within the international community and consequently a country in which donors will be less willing to invest.

However, UNODC estimated that 131,000 hectares of opium poppy was cultivated in Afghanistan in the 2003/04 growing season with a farmgate value of US\$ 600 million. The province of Nangarhar alone was estimated to have produced approximately 28,000 hectares, one fifth of total production. A rather crude extrapolation of the national data would suggest that illicit opium poppy cultivation contributed approximately US\$ 125 million to the regional economy in 2004 – an underestimate of the overall value of the production and trade in opiates to the regional economy if we consider the concentration of the value added side of the business in the province in the form of both laboratories and cross border trade.

Other studies have suggested that the employment generated by opium poppy cultivation in Nangarhar in the same season is the equivalent of 9.8 million labour days of which 3.4 million labour days represented daily wage labour opportunities to the value of US\$11.7 million. This work also reports that 83% of the incidents of hired labour reported in the agricultural sector in Nangarhar were for opium poppy cultivation and that those who availed themselves of the employment opportunities associated with opium poppy cultivation (namely weeding and harvesting) not only come from across the province but from neighbouring provinces, and indeed Pakistan.

Furthermore, over the last ten years, analysts and policy makers have generated a greater understanding of the multi-functional role of opium poppy cultivation in the livelihood strategies of the rural population of a province like Nangarhar. How opium poppy not only provides a source of income but it provides access to other assets, including land and credit, as well as allowing households to maximise their returns on one of Afghanistan's most scarce agricultural resources – irrigated land.

Yet in the 2004/05 growing season, opium poppy cultivation has been eliminated from all but the most remote parts of Nangarhar province. Indeed, the Government of Afghanistan estimates cultivation may have fallen by as much as 70% in the last twelve months. Whilst there is some evidence of high value crops being cultivated on a commercial basis in some of the more accessible and well-irrigated areas, across much of the province opium poppy has been replaced by wheat.

This Study looks at the impact such a significant reduction in opium poppy cultivation has had on rural livelihoods strategies and how households have responded. It explores the diversity of coping strategies households have adopted in response to the shock the ban on opium poppy cultivation has imposed on rural livelihoods in the province. It suggests that the majority of households in the areas where opium poppy has been cultivated at its most concentrated have endured significant hardship. The loss of on-farm income, combined with the daily wage labour opportunities from working during the weeding and harvesting season has led to

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

reductions in household income of perhaps as much as US\$ 3,400, equivalent to as much as 90% of their total cash income.

This fall in income has been compounded by a shift to wheat cultivation for consumption rather than high value vegetable crops for sales, restrictions in the availability of credit, and deflation in the non-agricultural rural economy that has reduced both the level of employment and the rates of daily wage labour. The impact of Cash-for-Work programmes designed to meet some of the shortfall income experienced as a result of the opium poppy ban has been limited, often failing to reach those who have been made most vulnerable by the ban on opium poppy cultivation. The shift to high value horticulture has been restricted by the availability of irrigated land, distance to markets and the increasing control 'local officials' are gaining over the trade in licit goods. The Study reveals that under such circumstances households have been compelled to curb their expenditure and adopt coping strategies that not only highlight their growing vulnerability but also threaten their long term capacity to move out of illicit drug crop cultivation.

The Study suggests losses have been less punitive in those areas with better access to resources. For instance, those with access to larger and well-irrigated landholdings may well have seen more significant falls in on-farm income due to the ban but where they are located in close proximity to the agricultural commodity markets of Jalalabad they have offset some of these losses with an increase in cultivation of high value crops. They have also drawn on the (albeit reduced levels of) licit income streams that they already had access to in the provincial centre and where possible increased the number of household members looking for daily wage labour opportunities. Whilst losses have been significant, and expenditure on basic food items have been curbed to make ends meet, neither long term productive assets, such as livestock and land, nor investments in licit income streams, have had to be sold to cope with the ban on opium poppy cultivation.

The Study concludes that the ban has increased the pressure to return to opium poppy cultivation in the 2005/06 growing season, particularly in the more remote areas where opium poppy has typically been more concentrated and licit income streams have proven more illusive. It suggests that there are some inherent policy conflicts between attempts to achieve dramatic reductions in opium poppy cultivation and the wider state building agenda. In the province of Nangarhar significant reductions in opium poppy cultivation have been accompanied by rural pauperisation, migration and growing political dissent. The reaction of the rural population to a second year of hardship is unpredictable but it is clear with the upcoming parliamentary elections, and a growing perception that the authorities have failed to deliver on their promises of development assistance that ultimately the Afghan government, and indeed the international community, will need to decide on the pace of change that they expect to see in Afghanistan across a range of key indicators, and not just the level of opium poppy cultivation.

1. Introduction

1.1 Objectives

- To assess the coping strategies households are adopting in response to the significant reductions in opium poppy cultivation this growing season (and how these differ by resource group);
- To identify what impact Cash-For-Work and other interventions are having on both household livelihood strategies and the potential for resurgence in opium poppy cultivation next season.

1.2 Background

During the latter months of 2004 there were reports of significant reductions in the amount of opium poppy planted in the province of Nangarhar in eastern Afghanistan.¹ There were also intermittent reports of eradication by the provincial and district authorities in December and January. Subsequently, in March low levels of cultivation were verified by UNODC.² The central government and the provincial authorities have estimated that cultivation in Nangarhar this year has fallen by as much as 70% of the 28,000 hectares cultivated in the 2003/04 growing season.³

However, these kinds of significant reductions are not completely without precedent in Afghanistan. The most notable reduction took place in the 2000/2001 growing season when the Taliban all but eliminated opium poppy cultivation across the territory that they controlled. Other sizeable reductions have occurred on a more localised basis in Helmand province where cultivation was reduced from 30,000 hectares in the 2001/02 growing season to 15,000 the following year, and in Nangarhar itself in 1995 when the then Governor Haji Qadir (the current Governor's brother) eradicated an estimated 5,000 hectares.

In the past dramatic reductions in opium poppy cultivation in Afghanistan have not been sustained. The impact of the Taliban ban on rural livelihoods was as dramatic as it was on the levels of opium poppy cultivation. The elimination of the crop not only led to a significant fall in on-farm income for those that normally cultivated opium poppy but was accompanied by a significant loss of employment opportunities for those usually involved in its harvest. The situation for the majority of opium poppy farmers was further exacerbated by the dramatic increase in accumulated debt that they experienced when traders converted their unpaid loans, traditionally payable in opium, into cash at exchange rates of around 1,500%. The only way to pay off these debts was to cultivate more opium poppy in the following season. As such, the Taliban ban, like the more recent reductions in Helmand in 2002/03 created the very conditions for resurgence in cultivation the following year.

¹ Mansfield, D. What is Driving Opium Poppy Cultivation? The Pressures to Reduce Opium Poppy Cultivation in Afghanistan in the 2004/05 Growing Season. A Report for the Afghan Drugs Inter Departmental Unit of the UK Government. March 2005.

² UNODC Afghanistan Rapid Assessment Survey 2005. UNODC: Kabul. Page 16. This was subsequently confirmed in April 2005 under UNODC and the Government of Afghanistan's. Afghanistan: Support to the Verification process of opium poppy eradication. Interim Report - Rapid Verification Survey. April 2005. Page 7.

³ UNODC Afghanistan: Opium Poppy Survey 2004.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

This Study will explore how the latest reduction will impact on rural livelihoods in Nangarhar and explore what coping strategies households are adopting. It will assess to what extent some of the short term 'quick impact projects', such as Cash-for-Work are meeting any shortfall in income that households are experiencing. Based on an assessment of the socio-economic, political and environmental factors that influence households' decisions to cultivate opium poppy, and drawing on both historical precedent and a growing body of knowledge regarding rural livelihoods in Afghanistan, this Study will seek to outline how significant reductions in the hectareage of opium poppy might impact on levels of cultivation next season.

1.3 Methodology

This Study was undertaken over a two-week period in April 2005. In total 87 in-depth interviews were conducted across five different districts in the province of Nangarhar and within Jalalabad city itself. Districts were selected for Study on the basis of diversity with regard their proximity to the provincial capital, Jalalabad city and its labour and commodity markets; access to cultivable land, and the intensity of opium poppy cultivation in previous years. On this basis fieldwork was conducted in the districts of Kama, Surkhrud, Shinwar, Khogiani and Achin.

Within the districts interviews were held with a variety of different socio-economic groups in order to explore how different assets and capabilities affected the impact of the ban on the household economy and subsequently informed the kinds of coping strategies households adopted in response. Access to land was identified as the main factor that distinguished socio-economic groups within the districts. In total 47 of those interviewed in the five district owned land: 4 were large landowners that employed seasonal agricultural labourers to work their land; 31 were owner cultivators that worked their own land; and 12 were land owners who obtained further land through either leasing or sharecropping the land of others. A further 16 respondents in the districts were landless and were either employed as sharecroppers or obtained land on a tenancy basis. The landholdings of those interviewed varied between the districts from an average of 2.9 jeribs in Achin to 10 jeribs in Kama.

Subsequent to the initial fieldwork in the five districts, interviews were also conducted with itinerant labourers in Jalalabad city and with shopkeepers and traders in Marko bazaar in Shinwar district and in Jalalabad city itself. These interviews were used to explore further patterns of migration within the province and the impact of the ban on the wider economy. Of the 15 interviews with daily wage labourers only 6 owned land and none of them owned more than 3 jeribs.

The fieldwork was undertaken by the consultant in partnership with national colleagues. All the members of the team have extensive experience of undertaking research into the role of opium poppy in rural livelihood strategies in Afghanistan. Interviews were semi structured and conducted in a conversational manner. Due to the sensitive nature of the subject, notes were not taken during interviews but were written up once the interviews had finished and the interviewer had departed.

Given the paucity of data on rural livelihood strategies in Afghanistan it is not possible to determine whether this sample is truly 'representative'. However, where possible the findings of this Study are cross-referenced with other indepth research that has been conducted in this area and with the growing body of quantitative and

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05
growing season and its impact on rural livelihood strategies

qualitative data on rural livelihoods that is beginning to emerge.⁴ The Study also draws on an analysis of the impact of the Taliban ban in 2001.⁵

2. Reductions in Cultivation: The Results and Process

Despite the fact that fieldwork was undertaken in the province at a time when opium poppy is typically in flower and that extensive travel was undertaken in the five target districts, as well as districts en route, there was little opium poppy cultivation to be seen in Nangarhar. In the lower areas with canal and river irrigation opium poppy cultivation was negligible. In the districts of Kama and Surkhrud, opium poppy could not be seen in either accessible roadside locations or more remote areas. Only a few small plots could be seen in lower Shinwar. Typically these plants were sparse and small in size. Even in the district of Khogiani, opium poppy was not seen throughout the period of fieldwork.

However, opium poppy was being cultivated in upper Shinwar and upper Achin. In upper Shinwar cultivation was fairly limited and was typically confined to residual plants left after eradication. There were some fields in the karez irrigated area of the district where opium poppy is traditionally cultivated more intensively but these were rarely bigger than one or two biswa.⁶ In upper Achin larger fields could be seen but given the small land holdings in this area, household cultivation rarely exceeded 2.5 jeribs⁷ and amongst respondents typically varied from half of one jerib to one jerib.

Indeed, of those interviewed only 31% had planted opium poppy in the 2004/05 season (91% of those interviewed had cultivated opium poppy last year) of which only one third (10% of the sample as a whole) still had a standing crop, the vast majority of which were in upper Achin. Even in Achin the intensity of opium poppy cultivation amongst respondents had fallen considerably since the 2003/04 season from an average of 93% of landholdings to an average of 35% in 2004/05.

This section looks at how such a significant reduction in opium poppy cultivation was achieved within the province over such a short space of time. It provides a brief overview of the complex nature of rural livelihood strategies in Afghanistan and how high levels of opium poppy cultivation in Nangarhar during the 2003/04 growing season, and policies in Pakistan, were already creating disincentives for a further

⁴ See UNODC Strategic Studies Series; Pain, A. 'The Impact of the Opium Poppy Economy on Household Livelihoods: Evidence from the Wakhan Corridor and Khustak Valley in Badakhshan.' A Study for the AKDN Badakhshan Programme funded by Gtz, January 2004; Mansfield, D. 'Coping Strategies, Accumulated Wealth and Shifting Markets: The Story of Opium Poppy Cultivation in Badakhshan 2000-2003' A Report for the Agha Khan Development Network, January 2004; as well as 'The Economic Superiority of Illicit Drug Production: Myth and Reality - Opium Poppy Cultivation in Afghanistan' and 'The Failure of Quid Pro Quo: alternative Development in Afghanistan'. Papers prepared by David Mansfield for the International Conference on Alternative Development in drug control and cooperation, Faldafing, January 7-12, 2002; Christopher Ward and William Byrd 'Afghanistan's Opium Drug Economy'. December 2004 World Bank South Asia Region PREM Working Paper Series, Report No. SASPR-5; William Byrd and Christopher Ward. 'Drugs and Development in Afghanistan.' World Bank Social Development Papers: Conflict Prevention and Reconstruction. Paper No. 18/December 2004; and PAL – Internal Document No. 2: Diversity and Dilemma: Understanding Rural Livelihoods and Addressing the Causes of Opium Poppy Cultivation in Nangarhar and Laghman, Eastern Afghanistan by David Mansfield, December 2004.

⁵ The author was a member of a four week mission assessing the impact in April/May 2001.

⁶ A biswa is the equivalent of 100 square metres. There are 20 biswa to one jerib and five jeribs to one hectare.

⁷ One jerib is the equivalent of 2,000 square metres, one fifth of a hectare.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05
growing season and its impact on rural livelihood strategies

record year in 2005. Subsequently, it looks at how the provincial and district administration sought to influence farmers not to plant and the actions they took when their efforts at persuasion did not work.

2.1 A livelihoods rebalance

For most households, even those that cultivate the crop intensively, opium poppy is just one crop within a complex livelihood strategy. Like any other crop the decision over how much opium poppy to cultivate has to be weighed against the other demands within the household on what are typically finite resources. For example, a decision to increase opium poppy cultivation will typically mean that land will need to be reallocated from food crops or other potential cash crops to opium poppy. The question then arises can this food deficit be met through the purchase of food products on the market at an affordable price? Water will need to be diverted away from licit crops to opium poppy. Has there been sufficient rainfall during the winter season to meet the demands of opium poppy (or other crops) during the critical stages of growth? Labour would have to be redirected from non-farm income opportunities and needs to be hired during periods of peak demand (such as weeding and harvest). Is household labour available? And if not, what are the wage rates and arrangements for paying hired labour? Furthermore, a reduction in wheat cultivation in favour of opium poppy cultivation also reduces the availability of straw for livestock that traditionally acts as a guarantee against food insecurity in Afghanistan. What other commodity can be sold quickly or act as a guarantor for obtaining credit?

Consequently, whilst a significant increase in opium poppy cultivation may generate higher economic returns, it can also upset the delicate equilibrium that households have established between the different elements in their livelihood strategies. As such the pursuit of higher returns is likely to expose households to greater risks that not all are willing or able to take.⁸

From the wider livelihoods perspective opium poppy was already looking less attractive at the beginning of the planting season in 2004/5 than it had a year prior. Nationally wheat prices were on average 41% higher in November 2004 than they were at the same time in 2003. Prices in Nangarhar, no doubt partly affected by the substitution of opium poppy for wheat in 2003/04, as well as low wheat yields, rose by 49% between October and November 2004. The price of wheat straw for livestock had also increased markedly in the eastern region. Moreover, concerns over the restrictions Pakistan had already imposed on the movement of wheat within its own boundaries and the potential for a further ban on wheat exports, succeeded in raising fears amongst those most reliant on markets for their staple food – such as those that cultivate a high proportion of their land with opium poppy – that wheat prices would rise further and access would become an increasing problem.

Previous research has shown that in just such conditions, where households fear they will not be able to purchase wheat on the open market, they will in fact increase the level of wheat cultivation at the expense of their opium crop, even where opium

⁸ For a more detailed critique of household decision making see 'Economical with the truth': The limits of price and profitability in both explaining opium poppy cultivation in Afghanistan and in designing effective responses.' By David Mansfield in 'Reconstructing Afghanistan: what crisis in agriculture and food security?'. ed. by Pain, A. Kumarian Press. Forthcoming.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

prices are high.⁹ Indeed, high opium prices are of little benefit when you are dependent on the local market for your food and there is none available. In an environment where markets function so imperfectly food security is typically given priority over the profit motive.¹⁰

Households also factored in what appears to be a growing risk of crop failure when deciding what to cultivate in the winter season of 2004/05. UNODC have estimated that average opium yields in 2004 were at their lowest level in ten years producing only 32 kg per hectare. Farmers themselves, particularly in areas such as Surkhrud, Achin and Khogiani report significantly lower yields, often crop failure. Whilst in Nangarhar the ubiquitous report of 'spraying' is cited by many farmers as the cause of disease and subsequent crop failure, the experience from other provinces¹¹ and indeed other poppy growing regions of the world (as well as the simple reality of farming) would suggest that a lack of adherence to crop rotation will have played a significant role.¹² Even if households do not recognise the need to rotate¹³ they recognise the increasing risks associated with relying on a crop that has rapidly diminishing yields. Under such pressures a shift away from opium poppy cultivation was somewhat inevitable.

⁹ Phillips has indicated that 'the rural cultivator in Afghanistan will balance the amount of land sown with poppy with household food requirements. When basic foodstuffs such as wheat and flour can be easily purchased for reasonable prices the farmer may opt to dedicate a greater proportion of land to poppy cultivation. However, when wheat becomes too expensive or too difficult to purchase the farmer will reduce the amount of land planted with poppy and increase wheat cultivation, until the balance of the two corresponds with household food and cash requirements' see UNDCP Afghanistan: Assessment Strategy and Programming Mission to Afghanistan, May - July 1995.

¹⁰ Hale, A., (2002), Afghanistan Food aid impact assessment, Washington: Chemonics International Inc

¹¹ Mansfield, D. 'Coping Strategies, Accumulated Wealth and Shifting Markets: The Story of Opium Poppy Cultivation in Badakhshan 2000-2003' A Report for the Agha Khan Development Network, January 2004

<http://community.eldis.org/webx?233@116.wi1ragcYd5h.1@.ee9930alenclosure=.ee9c673>

¹² UNODC have published a number of research papers highlighting the importance of crop rotation for opium poppy cultivation. For instance, in 1953 a paper entitled 'The Opium Poppy' stated '*The poppy requires a rich soil and impoverishes it rapidly. A system of rotation must therefore be followed, or alternatively the plant must be sown on land that has lain fallow or on intensively fertilized land*'. The Opium Poppy in the UN Bulletin on Narcotics 1953 . Pages 9-12. Other papers in the UN Bulletin of Narcotics Drugs report the incidence of rotation in different countries and its importance for controlling pests and disease . '*The poppy is usually placed in the crop rotation after winter cereals, and also after grass or occupied fallowing*' G. Shuljgin Cultivation of Opium Poppy and the oil poppy in the Soviet Union in UN Bulletin of Narcotics. Volume 1, Issue 1. pages 1-8. '*The poppy pests can be successfully combated by using advanced agricultural techniques, crop rotation, collecting and burning all the plant refuse after the harvest has been gathered, deep-ploughing the field, using healthy seed for the sowing (decontaminating it before sowing), and by burning diseased plants.*' D. Dalev, L. Iliev, R. Ilieva (1960) Poppy Cultivation in Bulgaria, and the production of opium in UN Bulletin of Narcotics Vol1 Issue 1. pages 25-36. Particularly pertinent to the incidence of disease in Afghanistan last year is a paper from Australia that reports: '*Tasmania has proved to be an excellent location for the poppy industry. The crop fits well into a rotation with vegetable crops in the basaltic soils on the north west coast, and with cereal crops in the midlands and south.*' With specific reference to pleospora (a fungal infection) the report indicates that '*Research shows importance of crop rotations (3 years), stubble management and seed dressings*'. A.J. Fist The Tasmanian Poppy Industry: A Case Study of the Application of Science and Technology.

<http://www.regional.org.au/au/asa/2001/plenary/1/fist.htm> Tasmanian Alkaloids Pty Ltd, Westbury, Tasmania

¹³ Some farmers in Nangarhar recognised that other crops needed to be rotated but reported that opium poppy did not. Others indicated that leaving land fallow in the summer months or rotating the different varieties of opium poppy available in Afghanistan was sufficient. See PAL – Internal Document No. 2: Diversity and Dilemma: Understanding Rural Livelihoods and Addressing the Causes of Opium Poppy Cultivation in Nangarhar and Laghman, Eastern Afghanistan by David Mansfield, December 2004. page 19.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

2.2 Moral Suasion and Coercion

With the market (and subsequently precipitation) working in favour of an increase in the amount of land dedicated to wheat, and considerable political pressure from the central government and foreign donors to clamp down on opium cultivation, it could not have been a better time for the provincial authorities to act against those growing opium poppy. Reports from respondents and key informants support this assertion, suggesting that the authorities in Nangarhar have been particularly proactive in their attempts to reduce opium poppy cultivation in the province this year.

Typically, emphasis has been placed on preventing the planting of the crop itself. In the district of Surkhrud the provincial and local authorities were particularly vigilant, conducting a campaign early in the season to dissuade planting. Given that the Governor and his family originate in the district, compliance with the ban in Surkhrud was essential in setting the tone for the campaign across the rest of the province. Failure here would have seriously undermined the Governor's authority in other districts. Indeed, reports suggest that there was no cultivation in Surkhrud and eradication was not required at all.

It is argued that success in the district of Khogiani has also been critical in establishing an example in a more remote, tribal area in which the authority of the provincial government is more negotiated than absolute. Here the agreement of the district administrator has been catalytic. As someone who actively resisted eradication campaigns in the past, his active involvement in implementing the ban in the 2004/05 growing season had had a demonstration effect both within the province and in neighbouring districts.

The process of enacting the ban in Nangarhar had learnt much from the Taliban's experience in the 2000/01 growing season. Typically, district administrators and security chiefs called tribal elders and the shura members from each village to the district centre at the start of the planting season and informed them that opium poppy should not be cultivated in their village. Once the season began and some farmers started cultivating opium poppy, tribal elders and the shura members from each village were once again summoned to the district centre and told that villagers should eradicate their opium poppy or face arrest. In some districts, such as Khogiani, respondents report that farmers were indeed arrested and subsequently released once family members destroyed the crop. In other districts the authorities went out and destroyed the crop themselves.

It also became fairly well known in the province that the Governor had reported that both his job and therefore the jobs of the district administrators and the security commanders he appointed were dependent on a significant reduction in opium poppy in the 2004/5 growing season. A failure to deliver would have far reaching consequences for those in government office who wanted to retain their economic and political influence. They would either have to choose to leave office or try to hold on to power in opposition to the orders of the central government. It is widely felt that the latter option has become increasingly unviable in the current political and military environment given the removal of both provincial and district leaders over the last year. Farmers were very much aware of the pressure on local authorities to achieve a significant reduction in opium poppy cultivation this year (often blamed on foreigners, known as '*kharaji*') and consequently believed that this would be translated into action on the ground.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

Underlying this threat of action has been a political dialogue between the Afghan authorities on one side, and communities and tribal elders on the other. This dialogue has been based on two considerations. The first, that tribal elders in Nangarhar had given their support to the election of President Karzai and now that he was elected should continue to support him in his desire to ban opium poppy cultivation. The second and perhaps more important issue in relation to farmers themselves has been the promise of development assistance in return for compliance with the ban. This message has pervaded the dialogue with tribal elders and community members at each of the different stages of enforcing the ban.¹⁴ Indeed, fieldwork for this study suggests that many farmers see their compliance with the request not to plant (as opposed to reducing the level of cultivation as was already the case) and their subsequent cooperation on eradication was conditional on the delivery of development assistance.

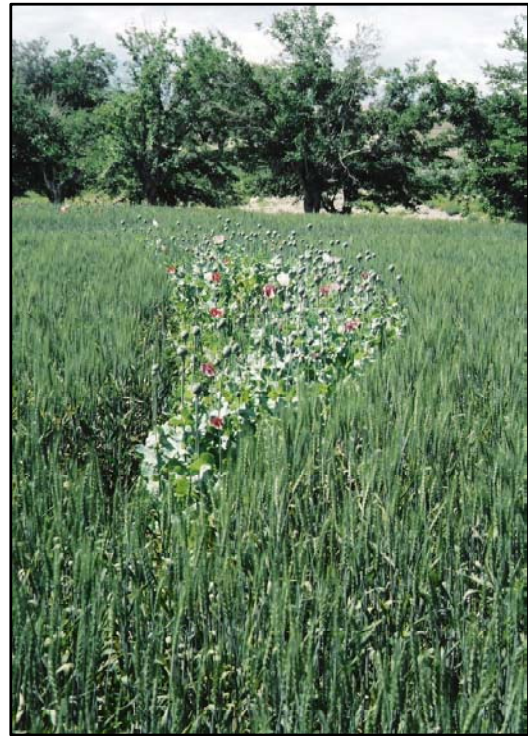


Figure 1: A wheat field planted after eradication with a swathe of opium poppy that was missed by the tractor.

2.3 The Destruction of Crops

Respondents and key informants report that the local authorities had conducted a number of eradication campaigns in the province during the 2004/05 growing season, although the scale and nature of these campaigns differed between the districts. For instance, as already mentioned above, in Surkhrud district, there was little need for eradication as levels of planting were so low. Similarly, in the district of Kama eradication was limited to the few remaining crops that were planted in more remote areas of the district. Indeed, none of those interviewed in either district had planted opium poppy this year (although one farmer did have some plants that he claimed had grown from seeds he had planted last year but which failed to germinate).

In the district of Khogiani a more concerted effort was needed on behalf of the local authorities to keep levels of cultivation to a minimum. Arrests were made and crops destroyed, typically by farmers themselves fearing that the local government would be less careful in their use of tractors during eradication and possibly destroy licit crops (the farmer's own and possibly their neighbours – a potential source of conflict) in the process. Three respondents interviewed in Khogiani reported that they had destroyed their own crops fearing arrest.

In the district of Shinwar respondents proved less willing to destroy their own opium poppy and the local authorities had to undertake the task. Indeed, almost two thirds

¹⁴ Mansfield, D. What is Driving Opium Poppy Cultivation? The Pressures to Reduce Opium Poppy Cultivation in Afghanistan in the 2004/05 Growing Season. A Report for the Afghan Drugs Inter Departmental Unit of the UK Government. March 2005.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

of those interviewed reported that the local authorities had destroyed their crop during the months of December 2004 and January 2005. All of these individuals had been compelled to pay the cost of tractor hire at between 300 and 350 Pakistani Rupee (PR)¹⁵ per hour. One respondent with 11 jeribs of land reported that it had taken 4.5 hours to eradicate his crop costing him a total of 1,350 PR for the privilege of having his own crop eradicated.

The consequences of this early eradication campaign could be seen in a number of different places across the district. Small swathes of plants missed by the tractors (see Figure 1 above), or plants from seeds that had been turned and subsequently germinated after the early eradication campaign (see Figure 2) were visible in wheat fields, particularly in upper Shinwar. These areas were minimal in size and offered little in the way of yield. Yet despite this, evidence of harvesting could be seen.



Figure 2: Wheat field planted after eradication with residual opium poppy plants.

In upper Shinwar, respondents reported that the district commander's men had destroyed a number of fields two days prior to fieldwork. This eradication campaign had been undertaken using sticks to remove the capsules from the plant. During fieldwork in upper Shinwar a few plants were seen where capsules had been destroyed but this was not extensive (see Figure 3). Respondents reported that a confrontation between the local population and the security commander's men had led to the withdrawal of the militia.

It was reported that fears that a further attempt at eradication might be tried had prompted some farmers in the district to harvest their crop early. Respondents suggested that this resulted in yields on average 50% lower than if the harvest were to be undertaken at its optimal time. It was also inferred, and openly stated in other parts of the district, that a payment

Figure 3: Opium poppy with capsules removed by eradication team.



¹⁵ Prices in Nangarhar were typically cited in Pakistani Rupees. At the time of fieldwork there were 60 Pakistani Rupees to one US dollar.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

to the men undertaking eradication could save the few plants that a farmer had left.

Of those interviewed in Achin 40% claimed their crop had been destroyed. All were located in the lower part of the district. It was reported that initially a campaign was undertaken in late December in those areas in close proximity to the district bazaar in Kahi. However, in April a later eradication campaign was also conducted which moved out from Kahi into areas around Shadal Bazaar and Goshta moving into the upper part of the district. Unrest led to the curtailment of this operation at the time of the fieldwork. Reports suggested that a demonstration by farmers and their families had resulted in stones being thrown at the local authorities and shooting by the security commander's men. It was claimed that two farmers were shot during this exchange with one killed and the other seriously injured.

It was not just in upper Achin that eradication has provoked resentment and hostility. In Shinwar respondents were angry that their crops had been destroyed. They were particularly resentful that district authorities, that were typically viewed with disdain and believed to be involved in illegal activities, had done it. Often the destruction of the crop was equated with the destruction of the respondents' livelihood or indeed life itself: *'They have destroyed my crop with their tractors. They may as well have driven over me'*. As we will see from the next section, it is certainly true that the enforcement of the ban certainly had far reaching consequences for many of those interviewed.

3. Reductions in Cultivation: The impact

Opium poppy plays a multi-functional role in the livelihoods strategies of the rural population of Nangarhar. The impact of enforcing a ban on its cultivation is not simply a loss of on-farm income, as this section will show, it is far more wide reaching than that. For those most dependent on the crop for their livelihood eliminating opium constrains access to land, credit, as well as reducing on-farm, off-farm and non-farm income due to the impact of the ban on the wider economy. Indeed, it has been calculated that one hectare of opium poppy creates as many as 5.6 jobs in the rural non-farm economy.¹⁶

For those who have simply taken advantage of the absence of the rule of law and have a variety of assets and diverse income streams the loss of opium poppy does not have such a dramatic impact. Whilst this relatively resource wealthy group may endure a larger loss in on-farm income in absolute terms their access to larger than average landholdings, low levels of household debt, proximity to labour and agricultural markets in the provincial centre, and inflow of remittances should mean they are better able to manage the shock the ban inflicted on their livelihood.

Primarily this section looks at the impact of the ban on rural livelihoods in the five districts in which fieldwork was conducted in Nangarhar province. It documents the losses incurred and where possible attempts to quantify them in monetary terms. However, this section also analyses the impact of the ban on the wider economy, how a loss in such a significant proportion of household income translates into falling revenues across a range of different businesses and trades.

¹⁶ John W. Mellor 'Poppies and Agricultural Development in Afghanistan' Analysis under the USAID/RAMP Project, Afghanistan. Presentation at the World Bank, South Asia Rural Development. March 3, 2005

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

3.1 Access to land

Nangarhar in 2005 looks as it did in 2001 – awash with wheat (see Figure 4). In only a few areas visited during the course of fieldwork were high value vegetables, the most prominent being onion, cultivated at a significant level. Indeed, the results of individual interviews suggest wheat cultivation occupied on average 82% of the total landholdings of respondents with even higher rates (approximating total coverage except for household vegetable gardens) recorded in the districts of Khogiani and Shinwar. Even in the district of Achin where opium poppy cultivation continued, on average 64% of the total household land cultivated by respondents was dedicated to wheat. Furthermore, when opium poppy was eradicated in each of these three districts the land was typically replanted with only wheat. Consequently, almost three quarters of those interviewed in these three districts reported that they mono-cropped wheat.

The consequences of this almost wholesale shift to wheat cultivation were quite stark for those looking to sharecrop land. Wheat requires significantly less labour than opium poppy cultivation and consequently can often be managed by household labour.¹⁷ Indeed, there was a general consensus amongst respondents that there was less land available to those from within the district or indeed from neighbouring districts looking to sharecrop land. Those respondents with small parcels of land who had previously taken further land on a sharecropping basis, reported that they could either not acquire any land on a sharecropping or tenancy basis, or at best much less than in the 2003/04 growing season.

For example, in each of the districts of Achin, Shinwar, Kama and Khogiani there was at least one respondent that had seen the amount of sharecropped land that they could obtain fall by 50% between the 2003/04 and 2004/05 growing seasons. In one particular village in upper Shinwar, a series of respondents reported that last year around 100 jeribs of land, mainly planted with opium poppy, had been cultivated entirely by sharecropping households. It was reported that each of these households had cultivated between 3 and 5 jeribs of land. However, this year there were only 5 sharecropping households working in the same area none of whom had more than one jerib of land. The entire area was now wheat. Another sharecropper in Shinwar district reported that he could only obtain land this year if he

Figure 4: A view of an area in upper Shinwar in 2004/05, in a typical year more than half this land would be opium poppy.



¹⁷ [With regard to wheat] few farmers produce an output necessitating hired help; most farms produce relatively small outputs that can be harvested by family labour and this is still more valid for all other crop work before the harvest' Hector Maletta The Grain and the Chaff: Crop residues and the cost of production of wheat in Afghanistan in a farming system perspective, Universidad del Salvador, Buenos Aires, Argentina . July 2004 . Page 48

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05
growing season and its impact on rural livelihood strategies

was willing to meet the entire costs of the agricultural inputs (as opposed to paying the usual 50% of input costs). He had agreed as otherwise he faced not being able to gain access to land at all.

Furthermore, almost half of the respondents interviewed on the streets of Jalalabad reported that as opposed to last year, where they had leased or sharecropped land in their own district and grown opium poppy, this year they had not been able to obtain sufficient land, or in some cases any land at all, and consequently had come to Bajazee Chowk in the city to find whatever wage labour opportunities were available.¹⁸

It was also reported that renting land was more problematic this growing season, as rents had not fallen despite the elimination of opium poppy cultivation. Previous research has shown that opium poppy cultivation has forced up rents in Nangarhar to the point where a household cultivating wheat would not be able to meet the costs of leasing their land. Indeed, one respondent in Kama reported that the rentable value of the land he was leasing was 65 seer of wheat per jerib, despite the fact that yields were nearer 60 seer¹⁹ per jerib. It is perhaps not coincidental that households leasing land were only found in the districts of Kama and Surkhrud, each of them cultivating high value vegetables such as onion, okra, and green bean on the land they leased.

3.2 Falling on-farm income

Lower than average opium yields across the province in the 2003/04 growing season meant that the loss in on-farm income due to the opium poppy ban in 2004/05 was not as extreme as it might have been in previous years. UNODC estimated that yields were as low as 32 kilogrammes per hectare in Nangarhar. Respondents for this Study reported even lower yields in 2003/04 with many in Surkhrud, Koghiani and Achin claiming that they had almost lost their entire crop, except perhaps a seer or two, due to disease.

Those respondents that were cultivating land on a sharecropping basis in 2003/04 received only half of the final output of this lower than average yield. Consequently, the incremental reduction in on-farm income associated with this years ban on opium poppy cultivation were even less in absolute terms for this group of farmers compared to that of an owner-cultivator. Nevertheless given prices of approximately US\$ 136 per kilogramme at harvest time in May 2004 even diminished yields provide an important contribution to the overall on-farm income.

With the elimination of opium poppy across much of Nangarhar in 2004/05 households have experienced a considerable fall in on-farm income over the last 12 months. Previous research in Nangarhar has shown that opium poppy can potentially contribute on average 95% of total cash income from crop sales and 75% of total household cash income.²⁰ This research calculated that opium sales generated on average around US\$ 2,500 per household in the 2003/04 growing season. It also

¹⁸ Bajazee chowk is in the centre of the city and is where both skilled and unskilled labourers congregate from around 5.30 am until 11am in the hope of getting recruited by employers.

¹⁹ One seer of opium in the eastern region is the equivalent of 1.2 kilogramme but for other commodities it is the equivalent of 7 kilogrammes.

²⁰ PAL – Internal Document No. 2: Diversity and Dilemma: Understanding Rural Livelihoods and Addressing the Causes of Opium Poppy Cultivation in Nangarhar and Laghman, Eastern Afghanistan by David Mansfield, December 2004. Page 28; and 48.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05
growing season and its impact on rural livelihood strategies

reported that due to the different size of landholdings, varying intensity of cultivation, and the distribution of the final crop, the gross cash income generated by opium sales could range from an average of US\$ 1,430 amongst those households sharecropping land to US\$ 4,160 for those households classified as landlords. Owner-cultivators were calculated to earn on average US\$ 2,250 from opium sales in the 2003/04 growing season.

A crude calculation based on the average amount of land dedicated to opium poppy reported by respondents (2.8 jeribs) for this Study would suggest a similar average cash income from opium sales of around US\$ 2,400 for 2003/04 per household. Given an average household size of around 14.9 members (compared to 14.7 for the PAL Livelihoods Study), of which 16% were reported to be working full time and 64% were children, this is a level of income that is likely to be critical to meeting the basic needs of the majority of households.

3.3 A loss of off-farm income

Respondents and key informants reported that the biggest loss the resource poor have experienced as a consequence of the enforcement of the ban on opium poppy cultivation this year has been the loss of the off-farm income generated from working in the weeding and harvesting of the crop.

Opium poppy cultivation requires as much as 350 working days per hectare. Indeed, households adopt a variety of different strategies to minimise their need for hired labour, including staggered planting, cultivating different varieties of opium poppy with varying maturation rates, and maximising the use of reciprocal and family labour (including women and children). Yet despite these efforts many households are compelled to hire labour particularly during harvest time.

Research by PAL suggests that the employment generated by opium poppy cultivation in Nangarhar in the same season is the equivalent of 9.8 million labour days of which 3.4 million labour days represented daily wage labour opportunities to the value of US\$11.7 million.²¹ This work also indicates that 83% of the incidents of hired labour reported in the agricultural sector in Nangarhar was for opium poppy cultivation and that those who availed themselves of these employment opportunities (namely weeding and harvesting) not only come from across the province but from neighbouring provinces, as well as Pakistan.

By comparison the same cannot be said for wheat where estimates suggest that only 51 days per hectare are required with very few households employing wage labour.²² Even where other crops were cultivated at a commercial level such as in the districts of Surkhrud and Kama, respondents reported that they did not require significant labour inputs from hired labour. A respondent in upper Surkhrud that had cultivated 6 jeribs of onion, as well as 2 jeribs of wheat, reported that he had only required labour during the planting season and for that he had hired children at only 80 PR per day. In the district of Kama none of those that cultivated other crops had required hired labour and commented on the complete absence of daily wage labourers in the area compared to the influx of previous years before the enforcement of the ban.

²¹ Ibid. Page 10.

²² Hector Maletta The Grain and the Chaff: Crop residues and the cost of production of wheat in Afghanistan in a farming system perspective, Universidad del Salvador, Buenos Aires, Argentina. July 2004. Page 25.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

If opium poppy cultivation has indeed fallen by as much as 70% for the province as whole, as the government suggests, there will be a total shortfall in labour days of possibly as much as 5.8 million labour days and a reduction in daily wage labour of 2.38 million labour days in Nangarhar alone. At a household level respondents considered this shortfall in wage labour opportunities significant.

For the vast majority of households interviewed in the districts of Achin, Khogiani and Shinwar, as well as some of the more resource poor respondents in Surkhrud and Kama (and indeed in some of the outlying provinces) the enforcement of the ban on opium meant the loss of up to 5 months employment for at least one member of the household. Given the staggered nature of the opium poppy season, which varies by altitude and micro-climate, respondents indicated that they were employed across a range of different districts, as well as in neighbouring provinces, and for some even further a-field. For instance, in Shinwar respondents reported that a number of labourers had been recruited to work in the province of Badakhshan in July 2004. Another indicated that he had worked in the province of Balkh last year and was looking to return there this season as his contacts there had told him that there were plenty of employment opportunities, as the amount of opium poppy cultivated had remained relatively stable.

With daily wage labour rates for weeding opium poppy of around 200 PR to 300 PR per day, over a two and a half month period and rates of between 300 PR to 500 PR for harvesting for a similar period of time, the potential off-farm income earned from opium poppy is significant, ranging from US\$ 625 to US\$ 1,000 per family member. For those households with more than one family member able to travel, the earnings from working as a daily wage labourer on the opium poppy crop of others is potentially as high as the on-farm income generated by a household growing poppy on their own land, and is actually higher for those cultivating opium poppy on a sharecropping basis.

For example, in Shinwar, where the average household size is considerably larger than the other districts covered by the Study (22.9 member compared to 14.9 for the sample as a whole) half of those interviewed had two members of the household available to work as itinerants on the opium poppy crop. It was also noted that additional income for the family could also be generated by boys as young as ten who could obtain work weeding opium poppy fields in the same village or neighbouring areas earning as much as 200 PR per day. Respondents were quick to point out that land owners provided three good meals a day and, once away from home, accommodation was provided for those working on the opium poppy crop whilst that this was not the case for other crops (or indeed jobs in the city).

In Bajazee Chowk all those interviewed had been employed in 2003/04 for at least 2 months (the majority longer) either weeding or harvesting opium poppy. It was typically the current absence of off-farm employment that had compelled them to come to Jalalabad in search of work. *'Last year I worked everywhere: Lalpura, Mohmand Dara, Khogiani, Surkhrud in both the weeding and harvest time. When the harvest was finished I worked in Jalalabad city and found work every day. This year there are no opportunities to work in the field.'*

For those in lower Kama and particularly in Surkhrud, their proximity to Jalalabad at least offered them some alternative sources of income. Households in these areas typically had members of the family with access to non-farm income on either a permanent or intermittent basis. However, in the districts of Shinwar, Achin and

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05
growing season and its impact on rural livelihood strategies

Khogiani these opportunities were rarely available due to the distance to the city, making the loss of on farm and off farm income as a result of the opium poppy ban all the more pronounced.

3.4 The drying up of credit

As has been well documented, opium poppy provides preferential access to credit for those who cultivate it.²³ Typically this credit comes in the form of an advance payment, known as *salaam*, on an agreed amount of the crop. At harvest time the borrower is expected to promptly provide the agreed weight of opium to the lender. Traditionally the amount paid as an advance is calculated at half the prevailing farmgate price of opium at the time of the loan. On average the advance payment will be 40% less than the harvest price of opium.

For the resource poor this credit is essential, financing agricultural investments and consumption during periods of dwindling food reserves and low income. Indeed, some households have been found to sell their crop as much as two years in advance. However, loans on opium have also financed social functions, such as weddings and funerals, investments in licit income activities as well as illicit ones, including investments in the opium trade.

Early in the 2004/05 growing season there were reports that *salaam* payments were unavailable.²⁴ This is in contrast to previous years. Detailed fieldwork done in Nangarhar in 1998 that suggested that the majority of those interviewed had taken *salaam* on their opium crop between mid September and mid February, a period during which many households experience food shortage. During the course of the fieldwork for this current Study it was reported that traders and shopkeepers were unwilling to provide the advance payments on opium, and were certainly not willing to provide them on licit crops. Indeed, there was even a reluctance to provide *salaam* in those areas where planting was more prevalent, such as upper Achin or Shinwar, for fear that households would be unable to repay were their crop to be destroyed.

The loss of access to *salaam* payments was seen as significant to the majority of respondents. As one respondent in Surkhrud put it: '*when we cultivate poppy everyone will give us a loan, now I have no poppy my pockets are empty*'. Ironically, the need for credit is even more acute this year given the loss of on-farm and off-farm income as a result of the opium poppy ban, than in years when opium poppy is being grown more prolifically and credit is more freely available.

At the same time, whilst respondents reported that credit was harder to obtain, and *salaam* was simply not available at all, it was not altogether impossible to get a loan. Without opium, access to credit and being defined as 'creditworthy' became more complex, dependent on assessing an individuals' capacity to repay (rather than simply the assurance that opium was being grown) and the strength of their social networks. For instance, loans could be obtained from those relatives that were relatively wealthy, although typically these were fairly small and increasingly hard to

²³ See UNODC Strategic Study#3: The Role of Opium as a Source of Informal Credit. A Preliminary Report, January 1999; and 'The Economic Superiority of Illicit Drug Production: Myth and Reality, Opium Poppy Cultivation in Afghanistan' by David Mansfield. A paper prepared for the International Conference on Alternative Development in Drug Control and Cooperation, Feldafing, January 5-12, 2002.

²⁴ Mansfield, D. What is Driving Opium Poppy Cultivation? The Pressures to Reduce Opium Poppy Cultivation in Afghanistan in the 2004/05 Growing Season. A Report for the Afghan Drugs Inter Departmental Unit of the UK Government. March 2005. Page 26.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

access as savings diminished. Indeed, in a number of locations shopkeepers themselves complained of the impact that the demand for items on credit was having on their business: *'Everyone who comes to the shop wants a loan. No one has repaid. My capital is finished and my shop is empty.'* Other shopkeepers were trying to recoup the loans they had given through the jirga system and district administrators.

Problems in accessing credit did not just affect the capacity of households to smooth out their loss of income under the opium poppy ban. It also impacted on their capacity to repay their accumulated debts. Almost 40% of those interviewed had outstanding loans from previous years, with an average debt of US\$ 1,040. A number of respondents indicated that they had multiple loans and tended to borrow money to repay some of their existing debts even in good years. However, without the income from opium poppy and given problems of accessing new loans, it was increasingly understood that this was no longer a viable strategy and many feared that they would lose their land

3.5 The multiplier effect

During the course of the fieldwork it became quite apparent that the impact of the ban on opium was not just felt in the agricultural sector in Nangarhar but had wider ranging effects on the regional economy. The most immediate evidence of this came from the more resource wealthy households who had other non-agricultural income streams. Subsequent interviews with shopkeepers in Marko bazaar in Shinwar, shopkeepers in Jalalabad and itinerant labourers in Bajazee chowk in Jalalabad confirmed these initial impressions.

In each of the different districts there were respondents who had family businesses. These included, shops, taxis, petrol stations and car cleaning. All reported a significant downfall in economic activity over the last year - some of them by up to 70%. All of these respondents blamed this downturn in economic activity on the opium poppy ban in the province and the subsequent reduction of disposable income.

For example, a household in Shinwar district with a car cleaning business in Marko bazaar reported that whereas last year they were cleaning between 20-35 cars per day at 130 PR per car, this year they were cleaning only 8-10. Other businesses in Marko bazaar reported similar reductions in trade. A trader selling electronic goods reported that while last year there was no shortage of people wanting to purchase mobile phones, many were currently looking to sell them back to the shop. A hairdresser reported that he had not had a single customer all month, something he had not experienced in the 2003/04 growing season. Only the shops selling bread and tea in the bazaar reported business as usual.

The district bazaar in Achin, and the hotel in which one of the fieldworkers²⁵ stayed, were almost empty despite the onset of the opium poppy harvest season, a time when households would typically have some surplus cash income. Indeed, the bazaar was seeing so little trade that a respondent who had purchased a car in 2003 (and taken loans to do so) as a business investment to operate as a taxi had

²⁵ This fieldworker is well acquainted with this hotel, having stayed there at different times in the past during previous opium poppy seasons. He himself was shocked to see it so empty.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

subsequently sold it two weeks before being interviewed at a loss of 100,000 PR. He reported that this was due to the lack of business this year and the need for cash income.

It was a similar story for businesses in Jalalabad. A respondent with an electronics goods shop in the centre of the city reported that last year at the same time he was selling three video cassette recorders per day. This year he had not sold one all week. His profits had dwindled from 2500 PR per day to the point where he could no longer meet his monthly rent of 50,000 PR (which had remained stable despite the downturn in economic activity). His neighbour reported a similar story of depressed sales (although at a lower level of turnover). Both blamed the ban on opium poppy cultivation.

A respondent that owned a general store in Jalalabad that supplied items such as stationary, tea, sugar, cigarettes and biscuits to similar stores in the district and village centres reported that his trade had fallen by 30-40% from the previous year. He indicated that the orders from village shopkeepers that he received weekly in 2003/04 were now at best every two weeks. Another respondent with a clothes shop reported a more significant fall in business, ranging from 50% to 70%. He suggested (and this was confirmed by reports in the districts) that the ban on opium poppy cultivation had led to a fall in the number of marriages this year. Consequently he had seen the number of customers visiting his shop to purchase clothes for the bride, as is tradition, fall over the last twelve months from one or two a day to one or two a month.

It was not just that there was less business there was also the lack of liquidity. A mechanic in Jalalabad reported that his business had declined only a little, as people still needed their cars repaired, it was the capacity of people to pay that had impacted on his business hardest. He reported that too many of his customers were informing him that they did not have the money to pay him once he had completed the job. He reported that he could no longer carry this expense.

Perhaps the biggest slump in economic activity in the province came in the building sector. In Kama, where profits from opium poppy were reported to have contributed to the rebuilding of houses destroyed during the war, a number of respondents said they had abandoned building plans for this year due to a shortage of income. One respondent reported that in his first year after returning to the district he had paid for the construction of an outer wall of his house with the proceeds of his opium poppy crop. The crop from his second year of cultivation had paid for the construction of two rooms within the compound for the family to reside in. He was pleased that he no longer had to live in the house of his relatives and this year had planned to build a guest house, know as a *hujera*, for visitors to stay in. However, in the face of the enforcement of the ban on opium poppy he had abandoned these plans (and indeed plans for the education of two of his sons). Such was the slump in the building industry in Kama that respondents reported that skilled labour, such as bricklayers and carpenters had left the area due to the lack of employment opportunities and gone to Kabul.

Similar reports were heard in more outlying districts. In Shinwar a respondent who owned a tractor that he used to transport building materials from Marko Bazaar to outlying villages to those constructing houses, reported that his business had declined by 70% over the last year. His brother, a bricklayer, reported that daily wages for this work in the area had fallen from 500 PR per day last year to 250 PR in 2005. He reported that whilst last year at a similar time he had found 30 days work

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

per month, this year he had obtained only 5 days work in the last month. Respondents on Bajazee chowk in Jalalabad, referred to the number of jobs rebuilding houses in their village or district bazaar last year and how these wage labour opportunities had become scarce in 2005, compelling them to travel to Jalalabad to find work. One respondent from Alishang district in Laghman said: '*All work has stopped with the end of poppy*'.

The starkest examples of the downturn in economic activity in the province came from those who were searching for employment this year as an alternative to working in opium production. Interviews with households residing in areas located near district bazaars or Jalalabad itself revealed the shortage of employment opportunities for the unskilled. It was common for respondents in Bajazee Chowk, the district of Surkhrud and those residing in lower Shinwar, who were in close proximity to the bazaars in both Ghani Khel and Marko, to report that they could find work only one day in every four, or even less. For those that had to pay for travel from their home districts and for accommodation and food whilst in Jalalabad (despite the fact that they were not earning a wage each day) total net income could be as low as 30 PR per day.

I didn't even have the money to rent a car. I asked my wife and we had just 32PR so I came by foot from Tor Ghar. On the way I collected cans and an old rubber shoe. I sold them for 80PR. For ten days I have been here in the chowk. I have found work for only 4 days. I have no money left in my house for food and I have come here for work. But there is no work. I spend 25 PR for a place to stay at night and 25 PR for food each day. I sleep with no bed. Last year I worked in my own field in Surkhrud and in Lalpur during the harvest time. I worked in Batkot during the weeding season. Last year I am happy as I have some money for my field and other expenses but this year? I don't know what we will do.

The surplus of labourers and the shortage of wage labour opportunities in Jalalabad this year has also impacted on wage rates for the unskilled. It was reported that wages had declined from 150 PR last year to 120 PR in 2005. Wage rates for skilled tradesmen had also fallen. However there were also reports that bricklayers from Pakistan were travelling to Jalalabad attracted by higher wages rates. Based on the view that Pakistani bricklayers had greater experience and skills than their Afghan counterparts they were paid 450 PR compared to 350 PR for an Afghan bricklayer. Despite these higher wage rates employers invariably favoured the recruitment of Pakistani bricklayers illustrating that the downturn in economic activity as a consequence of the opium poppy ban has not had such a dramatic impact on all socio-economic groups.

4. Reductions in Cultivation: The different coping strategies

Opium poppy growing households are not homogenous, they have different assets and capabilities and therefore differing levels of dependency on the crop (see Table 1).²⁶ Consequently, the impact of the ban varies by socio-economic group and by location. For example, some households that have access to other income streams,

²⁶ Derived from data produced by PAL – Internal Document No. 2: Diversity and Dilemma: Understanding Rural Livelihoods and Addressing the Causes of Opium Poppy Cultivation in Nangarhar and Laghman, Eastern Afghanistan by David Mansfield, December 2004.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05

Table 1: Typography of opium poppy growing households			
	Not Dependent	Dependent	Highly Dependent
Access to markets/services/ Governance	Close to district and provincial centres	Accessible but limited physical infrastructure	Remote
Land cultivated (winter+summer)	Larger cultivable land (>15 jeribs)	Medium sized (>7.5 <15 jeribs)	Small cultivable <7.5 jeribs)
Land Tenure	Landlord	Owner cultivator Tenant	Owner cultivator Sharecropper
Water	Double Crop	Double Crop but limited in summer	Single Crop
Cropping	Diversified poppy 30%-50%. wheat plus other crops	Poppy 50%+ Wheat plus other crops	Poppy 70%+ Wheat 20-30% minimal horticulture
Population density	1 –1.5 per jerib	2 –3 per jerib	3.5 to 5 per jerib
Livestock	High value assets plus annual sales	Sales but depleting assets	Already limited assets
Off farm	Limited	Daily wage labour – poppy	Daily wage labour - mainly poppy
Non Farm	Salaried (NGO, Govt), Trade, transport	Construction Semi Skilled	Limited
Credit	Accumulated debt marginal Variety of sources of credit Gives loans	Some Accumulated debts Variety of sources	Significant accumulated debts Opium only source of loans
Opium Sales	Some time after Harvest	Pre harvest but some surplus	Pre harvest

are located near markets, have avenues to credit (if indeed they need it at all), have a sufficient number of members of working age, have sufficient irrigated land, and therefore have the potential to cope without opium poppy cultivation. At the other extreme households in more mountainous and remote areas with limited access to both cultivable land and irrigation, and which experience the highest rates of population density and levels of food insecurity, who rely heavily on credit to fill annual cash income deficits, and who derive much of their off-farm and off-farm income from insecure wage labour – the very households that have been found to cultivate opium poppy at its most concentrated – are unlikely to be able to meet their basic needs without recourse to opium poppy cultivation.

This section looks the type of coping strategies households have adopted in response to the ban on opium poppy cultivation. It documents how some of these coping strategies represent short term shifts in priorities that can simply be reversed when income levels increase. However, it also shows how other strategies are more dramatic and have longer term consequences for the household and its capacity to subsist without recourse to opium poppy cultivation. Indeed, it could be argued that many of the coping strategies households are adopting in response to the ban on opium poppy cultivation are creating the very conditions for its resurgence in the 2005/06 growing season.

4.1 Curbing expenditure

Typically respondents were found to reduce household expenditure in response to the fall in cash income that the ban on opium poppy cultivation had imposed. Given the underlying levels of poverty in Afghanistan, even amongst opium poppy growing households, and that the purchase of basic necessities represents such a significant part of total household expenditure, it should be no surprise that respondents reported that expenditure on food, health care, and to a lesser extent education, were all curtailed in response to lower levels of cash income. Expenditure on 'non-

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

essential' items such as diesel, as well as social obligations such as weddings and funerals were also curbed in response to the shortage in cash income (and creditworthiness) as a result of the elimination of opium poppy.

Food – back to basics

There was a general consensus that the quality and type of food consumed this season was significantly different from last year even in some of the wealthier households. In contrast with last year meat and fruit were rarely consumed. Many of the respondents in Khogiani, Achin and Shinwar, as well as the resource poor in Kama and Surkhrud reported that they had not eaten meat '*for months*' or '*since Eid*'. Households in Khogiani and Achin reported that rather than slaughtering livestock for their own consumption they were now selling cattle and goats so as to purchase basic food items such as wheat flour and cooking oil. Sales of dairy cows by some respondents in both these districts, as well as in Surkhrud and Shinwar, led to complaints about the lack of dairy products available for family members to consume.

Fruit had also not been purchased or indeed consumed by respondents over the proceeding months. Respondents also increasingly consumed maize bread, known as *jawry*, rather than the more expensive wheat bread. The consumption of vegetables had also changed both in terms of type and quantity. More expensive vegetables had been replaced by cheaper alternatives. Clover, which last year was more of a side dish, had become a mainstay of the daily diet. This tends to suggest that even amongst the relatively resource wealthy there was a growing reliance on rather basic and inexpensive food items.²⁷

Perhaps the most illustrative example of the change in the availability of food amongst households came from a Mullah in Khogiani who reported that the donations, known as *wazi fah*, that he received from households as part of his payment for services to the community had changed from a combination of '*bread twice a day with vegetables and other things cooked by the household*' in 2004 to '*no vegetables and poor quality bread given only once a day*' with '*some households not giving every day and others not giving at all*'.

A number of respondents also reported a growing incidence of households within the community who were totally reliant on the charity of family and neighbours for their food supply. They reported that in the past when opium poppy was grown such cases were relatively rare. In the district of Surkhrud one respondent, who had been compelled to sell two jerbis of his land last year, reported that there had been no food in his house for three days and that he was entirely reliant on the wealthier members of the Maliks of the village for his food supply. Whilst in upper Shinwar, a visitor from Pakistan reported a significant change in the eating habits of the village he was visiting over the last year and that he had given 5 kg of flour the day before to a family that had no food or money at all. He had never seen this on previous visits to the area and was shocked.

Others highlighted the extent of the problem they faced in obtaining what was considered 'quality food' commenting on the 'basic food' that they had to give to visitors, a social taboo in rural Afghanistan. One stated: '*I am ashamed I have many family members in my village and I have no food to given them. I am ashamed to*

²⁷ '*Poor households are obtaining significantly more of their energy from cereals and tubers, especially from wheat. Also they are consuming significantly less vegetables, oil, rice and milk than the better off wealth groups*' Afghanistan Network on Food Security Afghanistan Monthly Food Security Bulletin April 2004. Page 3.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

*‘speak of this.’ Another reported ‘In the past when guests came to my household we gave them chicken. Now this does not happen’.*²⁸

Not accessing healthcare – even when it is required

Respondents reported that expenditure on health care was also being reduced in light of the shortfall in cash income and problems in accessing credit. This was particularly the case in areas some distance from the district centre or Jalalabad where access to professional health care was limited. Almost one third of those interviewed reported that there had been a health problem within the household this year but that they had been unable to afford to get adequate treatment for the patient, as they would have done in 2003/04.

Whereas in previous years respondents reported that they would transport a sick member of their household to the doctor in the district bazaar almost immediately (or indeed pay for the doctor to visit), or if the condition could not be treated locally would travel to Jalalabad or Peshawar, this year the sick were increasingly not receiving any professional medical attention but instead were being left in their houses with what medicine could be purchased from the local pharmacist. Only when the patient's condition deteriorated significantly was a professional medical opinion sought. A number of respondents complained that the only way for them to pay for the healthcare that was required was to obtain a loan, preferably from family members, however some had taken interest-bearing loans from shopkeepers.

‘My mother has high blood pressure but we have no money to bring the doctor to get medicine. She rests in the home. This belongs to Allah now’.

‘Last year we had money. If we had no money then we borrowed it. If someone was ill we took them straight to get treatment. But now we try local remedies. If that does not work we buy tablets at the shop. Only if they get really bad do we take them to the doctors’.

Restricting access to education

As primary and secondary education are free of charge in Afghanistan, very few households reported that they had been forced to withdraw their children from education despite the shortfall in cash income. In two cases children who did receive a free education were withdrawn as they were unable to meet the costs of a new uniform that teachers in the Shinwar district had insisted they wear in order to attend school. In two further cases, children in secondary education were withdrawn from school as their parents required them to contribute to the household economy. One respondent from Kama reported that in the month prior to the interview he had insisted that his two sons (one of 15 years of age another of 16 years of age) gave up school and travelled to Pakistan to find work.

The final two cases were of students who had either been withdrawn from the University of Jalalabad or had been compelled to reduce their hours in higher education due to the family's inability to pay the fees and more importantly forego the potential income that the son could have earned. One individual from Chapahar had obtained land in the lower part of Surkhrud district in close proximity to the University so that he could attend his course on a part time basis. He reported that last year his

²⁸ During the fieldwork for this Study, the consultant was offered and took lunch in the villages where fieldwork was being conducted. At no point did he receive meat for lunch. The only other time that this happened in eight years of doing fieldwork in Afghanistan was in 2001, the year of the Taliban ban.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

family had cultivated their family land in Chapahar with opium poppy but this year only wheat was being cultivated. He reported that his family was now considering whether his younger brother of 15 years of age should be withdrawn from school and tasked with finding employment. Another respondent in the district of Khogiani reported:

I am unhappy about my son. My youngest son was in University in Jalalabad. Now he has left. He is here in the house. We cannot afford for him to go.

The end of 'luxury'

Even those who might be considered relatively wealthy, such as those with larger land holdings or owning high value items were found to be cutting back on their expenditure. In the districts of Achin and Khogiani, a number of households that were considered wealthy members of the community or '*Maliks*', reported that they were no longer using the electricity generators that they had purchased due to the cost of fuel. Two further households in these districts indicated that they could not meet the running costs of their water pumps if they cultivated licit crops, and were now relying on whatever water was available from the nearby spring. Another householder in Khogiani district reported that for similar reasons he would not be renting a water pump to irrigate his land as he had done in previous years. All these households were thankful for the increase in the availability of water from this years improved precipitation without which they would have not been able to cultivate their land at all.

Social and cultural obligations were also being foregone due to a shortage of cash income this year. In the districts five respondents reported that they faced problems this year in meeting wedding costs. All had agreed with the family of the bride that their children would marry. Some had even paid the bride price, known as *walwar*. However, with the ban on opium poppy, they could no longer meet the costs of the wedding ceremony and the final payment - known as *mahr* - made to the father of the bride on the wedding day itself. Whilst the children were obligated to each other they could not actually marry until this debt was paid, causing some embarrassment (and in some cases the threat of conflict) for the two families involved.

Last year we agreed to my son's marriage. My son wants to have a wedding but I do not have the money. People laugh as we have agreed to marry but there has been no wedding. I am the last Khan in the village. I have 8 jeribs of land. Before my life was good I cultivated poppy but my poppy was destroyed and I did not get a yield. Now I have 160,000 PR debt. I promised that after the wheat harvest I would repay. If I do not give the money I will give my land at 30,000 per jerib. I am the last Khan in the village and now I am poor because the government has banned poppy.

A further respondent reported that he could not meet the cost of his aunt's funeral so he had been compelled to take a loan. However, his creditor was unwilling to lend him further money for the traditional meal, known as a *khirat*, at the wake three days after the burial. This was despite the fact that his creditor was a relative.

4.2 The sale of assets

Whilst all of those interviewed had cut back on consumption of food, two thirds of respondents had also sold household assets this growing season as a way of meeting their household living expenses. Some of the items sold to raise money

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

were long term productive assets, such as land, farming equipment and oxen. Their sale not only represents growing hardship but, as research in Badakhshan has shown,²⁹ it also indicates a possible return to opium poppy cultivation in the near future as one of the few viable strategies for buying back these assets.

The most common asset to be sold was livestock.³⁰ In fact 43% of those interviewed had sold livestock in the last few months, often at low prices. Many argued that wheat straw at 50 PR per seer per day had become too expensive and that ultimately they needed the money from the sale for basic food items. As respondents in both upper Achin and Khogiani explained:

I took a loan to buy an oxen. When poppy was banned and I could not find a loan I did not have anything to eat. So I sold the oxen at a low price to feed the children. The next time we will have to mortgage the land. I don't have money without poppy'

One week before we had nothing to eat in the house. My children were hungry I could not find a loan. I told my father please bring the goat and sell it in the market, my children are hungry. He sold the goat for 2000 PR and he bought some wheat flour. Now we have food.

Respondents in Achin and Khogiani were found to be more likely to sell their livestock than in Kama, Surkhrud and Shinwar with almost two thirds of sales taking place in these two districts alone. Sales in these districts were not just of cattle, goats and sheep but livestock that contributed to the overall economy of the household such as oxen, cows and donkeys. It was also notable that livestock sales in Shinwar were concentrated in the upper part of the district where access to irrigated land is more problematic and opium poppy has been cultivated more intensively. In the district of Surkhrud livestock sales were less prevalent as many farmers reported that they had sold their livestock earlier due to the drought and due to access to non-farm income opportunities in Jalalabad.

Other assets were also sold. In the district of Achin one respondent reported that he had sold four Kalashnikovs to a trader from Pakistan. Another had sold two of his father's old carpets. In Shinwar district two respondents reported that they had sold jewellery, at around 7,000 PR per tuli (10g), to finance the purchase of food items. A further two respondents had sold cars. One of these, who had only one jerib of land in upper Achin, and who had cultivated opium poppy intensively for years, had previously purchased a car so that he could establish a taxi business.

I bought a car on loan two years ago for 250,000 but now there is no income from [my taxi business] due to the poppy ban and the low price of opium. The repayment of my loans is due. I have no way to repay. I sold the car for 150,000 PR. I have one young sister. After she is married I will use the money to repay the loan or I will sell my land.

²⁹ Pain, A. 'The Impact of the Opium Poppy Economy on Household Livelihoods: Evidence from the Wakhan Corridor and Khustak Valley in Badakhshan.' A Study for the AKDN Badakhshan Programme funded by Gtz, January 2004; Mansfield, D. 'Coping Strategies, Accumulated Wealth and Shifting Markets: The Story of Opium Poppy Cultivation in Badakhshan 2000-2003' A Report for the Agha Khan Development Network, January 2004.

³⁰ 'The main form of savings for rural households is in the form of livestock'. Hector Maletta The Grain and the Chaff: Crop residues and the cost of production of wheat in Afghanistan in a farming system perspective, Universidad del Salvador, Buenos Aires, Argentina . July 2004. Page 49.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

The sale of opium featured less prominently in the answers from respondents regarding the sale of assets with only four respondents reporting sales this season. Whilst this could be a consequence of security concerns following the spate of raids on houses by Afghan law enforcement agencies in the area at the time of the fieldwork,³¹ given low yields last year and the incidence of sales of long term productive assets by many of those interviewed it could also be a consequence of minimal, if not in many cases non-existent, stocks being held by respondents

Of particular concern was the growing incidence of land sales and mortgaging. Five respondents had already sold or mortgaged their land this season. A further seven anticipated that they might have to if they could not repay their outstanding debts. All of these respondents except two were in either Achin or in Shinwar. Households that were compelled to sell or mortgage their land this season due to financial crisis were doubly hit by the drop in land prices that has accompanied the opium poppy ban. For example one respondent in Shinwar complained:

'Why did the government ban poppy? My family is large, my wife is sick, we have mortgaged 1 jerib of land. Last year we sold ¼ jerib. Last year land sold at 300,000 PR now they have banned poppy the price of lands is only 100,000 200,000 per jerib.'

Those that still had the financial means to purchase land were generally opium traders themselves. In the district of Surkhrud one respondent reported that the failure of his opium crop last year had prompted him to sell 2 jeribs of his land to his creditor – a Khogiani trader. In the canal area of Shinwar district, the inability to repay a 300,000 PR loan used to pay for a wedding and the treatment of a sick family member in Peshawar, meant that the respondent's creditor – an opium trader residing next door - had already indicated he would take the land in payment instead. The respondent saw no alternative and believed he would be losing his land in June when his debt was due for repayment.

4.3 Taking new loans

It is interesting that whilst there was consensus amongst respondents that the enforcement of the opium ban had restricted access to credit, not all avenues to credit were completely closed. Of those interviewed 62% had taken a new loan this year, whilst only 38% reported accumulated debts. For some, obtaining a loan this year represented a significant change in their economic position: *'Until the ban we used to lend money. Now we borrow'*.

The major sources of loans were relatives and local shopkeepers. The latter typically provided loans in-kind, particularly for food, medicine and agricultural inputs. Respondents typically referred to these loans as interest free, or *qarze hasana*, but it was clear that a mark up was charged on the cash price for these products. Typically a premium of 200 PR would be added to the cash price of a 50kg bag of both Diammonium Phosphate and Urea. Some respondents were not even aware of the mark up shopkeepers were charging, they were simply grateful to obtain what they saw as much needed financial help.

³¹ A counter narcotics operation in Karga bazaar in Khogiani, as well as in houses in the outlying villages took place as fieldwork was being conducted in the area.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

The greatest concern to those taking these new loans was their capacity to repay. Without opium poppy cultivation many saw no option but to default. Most feared losing their land. A number of respondents were more passive '*Allah will provide*'. Four respondents reported that they would sell their agricultural crop to service their debt. In Surkhrud and Kama the cultivation of high value vegetable crops, particularly onion, amongst respondents did provide the opportunity to repay some of their debts. A further respondent in Surkhrud reported that they would sell their wheat yield after the harvest in order to repay their debts. They were fully aware of the potential for wheat prices to be at their lowest at this point in the season and that as a consequence of this sale, they would have to purchase wheat in the winter, when prices were at their highest, to feed the family. But this did not matter. Failing to repay their loan in June did, as it would incur interest, a bad credit rating and potentially the loss of land.

In the districts of Achin and Shinwar loans were still available on opium but not in the form of *salaam*. Instead, loans were given in opium itself with lenders agreeing a price of repayment per kilogramme at considerably higher than the current market price. This system, known as *jawzai*, was seen as less risky to the creditor than advance payments on the crop, offering repayment in cash and therefore free from the risk of eradication. Furthermore, the repayment was at an agreed rate and was not vulnerable to fluctuations in the price of opium, which were increasingly seen as unpredictable. For the lender it was a lifeline but not without consequences as repayment required raising cash, which without opium, or an alternative high value crop and/or daily wage labour opportunities, was problematic.

'I have one jerib of land, my household size is large. This year I am very poor and need money to buy food for my family. I took jawzai and bought 5 seer of opium at 20,000 PR and sold it at 12,000 PR per seer. I already have a loan to this person before. I have now mortgaged my land to him. I sharecrop my own land! Two days ago the man who lent me the money requested the local shura that I should return his opium as he does not think I will repay his money in June. I told him Allah is present I will get you your money. The shura told him that if I have not paid eight months after June I would give him my land'

In the district of Kama, respondents took advantage of a similar system that operated with cattle from the Mohmand agency. These animals were purchased for 10,000 PR per head but sold in Afghanistan for 5,000 PR. Repayments were scheduled for six months from the initial loan. It was reported that traders from the Mohmand Agency were increasingly coming to Kama to demand repayment but were finding it difficult to trace their debtors. Given that this seasons loans (and some accumulated debts) were due for repayment in June it was anticipated that the number of people absconding would increase in the coming weeks.

4.4 Agricultural diversification

The shift to higher value alternative crops is assumed to be the rational response to a ban on opium poppy cultivation. Yet, fieldwork for this study found little evidence of this, apart from in areas where opium poppy has typically been cultivated less intensively in the past. There was evidence of some land that had been cultivated with opium poppy in Surkhrud in 2003/04 being planted with onions this year.³² Respondents confirmed this reporting increasing levels of onion cultivation on their

³² Perhaps this was best illustrated by the reoccurring sight of residual opium poppy plants from the previous years ungerminated seed in fields of onion.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

own land and across the district. One particular respondent in the upper part of the district reported that he had received 16,000 PR profit from the one jerib of onion that he cultivated in the 2003/04 season. This year he had cultivated 3.5 jeribs, even renting land to increase the level of cultivation. Although not as significant, a similar move towards onion cultivation could also be seen amongst respondents in the district of Kama.

Onion was not only seen as attractive in these districts on the basis of profit but the security of the market. In both areas respondents reported that traders would travel to the village to purchase onion at the farmgate at harvest time. This could even involve purchasing the crop prior to it being pulled from the ground. For the farmer this had the advantage of lowering the costs of transport and packaging (as traders would provide the bags).

However, onion cultivation was not seen as without risk. In Kama disease was evident and respondents were complaining over the lack of assistance they had received from the 'government' in addressing this. One respondent had a small number of healthy looking opium poppy plants within a field of onion that was riddled with disease. The respondent used this incident as an example of the problems of shifting from illicit to licit based livelihoods without the appropriate support from extension services.

Respondents were also very much aware of the potential for a significant fall in the price of onion at harvest time due to increasing levels of cultivation within the province and the likelihood of Pakistani traders exporting onions to Jalalabad attracted by market prices (and, some argue, to squeeze out Afghan production). In Surkhrud respondents argued for the need for cold storage so that farmers could take advantage of higher market prices later in the year.

In lower Surkhrud, respondents also reported that they were increasing the amount of land they dedicated to green bean and okra. In Kama district these crops were being combined with sugar cane.

However, the story was completely different in Shinwar, Khogiani and Achin. In these districts opium poppy had been replaced by wheat. There was little evidence of other crops being cultivated on a commercial basis. Lack of irrigated land was a common response when asked about the cultivation of high value licit crops. Indeed, as experience in other source countries, such as Thailand, have shown farmers typically have to cultivate larger areas of licit crops to approximate the revenue they obtained previously from opium poppy cultivation.³³ Yet in many of the areas in which opium poppy cultivation is most concentrated in Nangarhar irrigated land is in fact the biggest resource constraint.

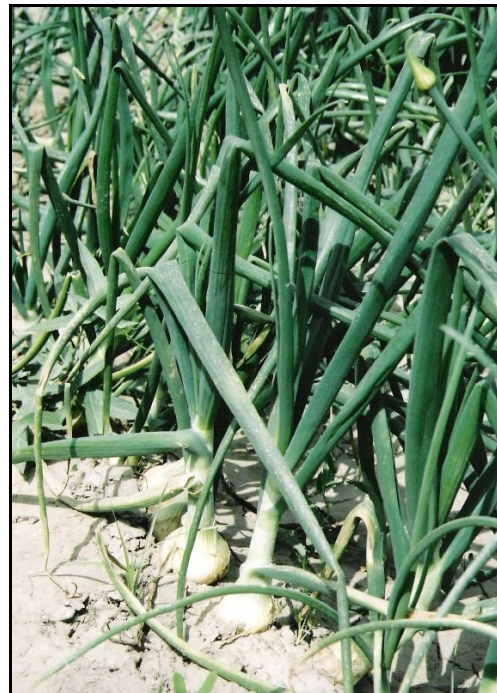


Figure 5: Onion crop in upper Surkhrud

³³ Ronald Renard Opium Reduction in Thailand 1970-2000: A Thirty Year Journey. UNODC, Bangkok.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05
growing season and its impact on rural livelihood strategies

The availability and cost of good quality seed was also cited as a constraint. Even those who had cultivated onion on a commercial basis remarked on the high cost of seed at 1,000 PR per pau³⁴ and a total cost of 3,000-4,000 PR per jerib.

Another common complaint in these three districts was the absence of markets for alternative high value crops. This was related not only to the distance of these areas from the provincial centre but also to low levels of disposable income in the districts. The result, as this comment from a respondent in Khogiani shows, was a lack of profit for their efforts.

Last year I cultivated spinach but when we sent it to Jalalabad we only got enough money to pay for the costs of transporting it in the Malik's car. The Malik returned half the money I paid him for hiring his car. This is my experience of vegetables.

However, the constraint on markets that was voiced most stridently was the controls that representatives of the local authorities imposed upon the trade in licit crops. Previous fieldwork in Kama district revealed sugar cane was being purchased at significantly less than the market price it could obtain if sold in Jalalabad by local commanders. These individuals claimed they had the authority of the provincial authorities to make these purchases.³⁵ During the course of the fieldwork for this current Study it became evident that this practice was not specific to Kama (or indeed sugar cane within Kama). In Khogiani district farmers complained that similar checkpoints and compulsory purchases were occurring en route to Jalalabad. Here it was claimed that tomatoes were being purchased by representatives of the local authorities at half the market price that could be obtained in Jalalabad itself.

My costs for cultivating one jerib of tomatoes were 8000 PR. After harvest I sold them for only 3000 PR. Yet if I had sold them at the market in Jalalabad I would have a lot of money but there was no opportunity to do this because of the commander.

Ultimately the constraints on the cultivation of licit crops in the districts of Achin, Shinwar and Khogiani, and to some extent the more resource poor in Kama and Surkhrud, are such that substituting opium poppy for wheat represents a rational response for many farmers. As a crop that is well known to them, requires less water than high value vegetable crops and is not dependent on markets, as it is typically being cultivated to consume, it is perceived as low risk. Most importantly its low labour inputs relinquishes household labour so that it can migrate in search of much needed wage labour opportunities. It is also an annual crop with no commitments for subsequent seasons should agricultural markets, access to irrigation, and the wider policy environment change. As such it makes the return to opium poppy cultivation, should the situation allow, that much easier

4.5 Access to development assistance

³⁴ One pau is approximately 500 grams.

³⁵ Mansfield, D. What is Driving Opium Poppy Cultivation? The Pressures to Reduce Opium Poppy Cultivation in Afghanistan in the 2004/05 Growing Season. A Report for the Afghan Drugs Inter Departmental Unit of the UK Government. March 2005.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

Development projects were seen to have created some employment opportunities within the districts with 60% of those interviewed being aware of interventions in their area and 25 % of respondents directly benefiting from daily wage labour opportunities.

Unfortunately, Cash-for-Work interventions were not well regarded by respondents. Coverage and the number of labour days on offer were seen as insufficient. It was reported that the total number of labour days available to a community were divided amongst the number of eligible households by the village shura. However, due to the limited number of days on offer this would often mean only one member of each household being employed for up to five days. Those individuals that had benefited from the daily wage labour opportunities that these interventions created claimed they were employed for received a daily rate of US\$ 4 and a total payment of up to US\$ 20.

According to respondents in Achin district the National Solidarity programme made a more significant contribution to household livelihood strategies. Of those interviewed four households had members that were working on the NSP. These individuals had been employed for between four and six months doing various infrastructural projects selected by the community. This compared with cash for work which one respondent claimed was *'only sufficient for three or four days of household expenses'*

The two areas of greatest concern to respondents were the quantity and nature of the assistance being provided and its final distribution. Typically those interviewed could not equate what they felt they had been asked to forgo in terms of the elimination of opium poppy cultivation, as well as the subsequent impact this had on their livelihood strategies, with the assistance that had been received. Indeed, during discussions in the field it was this subject that provoked some of the most hostile and emotive responses, including:

What good is a road with asphalt to me. I have no car. An asphalted road will not feed my daughter'

There are 170 families in my village. We received 50 kg of fertiliser from the government. This is the aid of central government? This is the alternative livelihood? We need a clinic, we need a road, and we need the intake repaired. This is our need not 50 kg of fertiliser for 170 families

One kilogramme of fertiliser – this is the help Karzai gives us – this is our alternative livelihood.'

What good is a road, what good is a clinic, what good is a school when I have no food?

I am no better off than when the Taliban were in power. We have a new road and that is it.

None of the respondents disputed the intrinsic development value of the work that was going on, particularly infrastructure, it was just that it did not meet the immediate priorities of the population which was typically food security and income generation. There was also resentment regarding the distribution of benefits from development programmes. Primarily the perception was that the authorities were the biggest recipient of the development assistance and that only a small proportion of it found its way to the farmer. One respondent in Kama district described things as follows:

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

Any assistance should be given direct to the people. If it goes via the government it is taken, first by the governor, then by the commander, and then by the Maliks. The poor get nothing

It was also firmly believed at the community level that those that least needed the assistance accrued the greater proportion of what was provided. Indeed, it was reported across all the districts covered by this Study that access to development inputs was typically dependent on the household owning land and/or water (known as *wand*) within the community. Those that did not were not considered part of the community and therefore would not directly receive a share of whatever assistance was being delivered. Consequently, households that might have resided in a village for the best part of a decade but were employed as sharecroppers would not be entitled to seed, fertiliser, wage labour, or whatever other assistance that was being provided.

This too was fuelling resentment within communities. Whilst some village leaders found ways to distribute benefits amongst community members based more on need, than traditional mechanisms, and others avoided distributing assistance at all,³⁶ typically those households that were not only some of the most vulnerable within the community but, as we have seen from the previous section, were the most dependent on opium poppy cultivation, saw the fewest benefits from the assistance provided.

It is always the poor that suffer from the ban on opium poppy cultivation but it is the Maliks [wealthy] and the Woliswal [the district administrator] that benefit from the projects and the assistance that is provided.

4.6 Migration and remittances

Migration is an important part of rural livelihood strategies in Afghanistan. The movement of people within the country and across international borders (particularly to Pakistan and Iran) has played a crucial role in managing household risks. In the past residing in a poppy growing areas has typically been correlated with low levels of migration.³⁷ However, with such dramatic reductions in opium poppy cultivation in Nangarhar this year patterns of migration are also changing

Figure 6: Opium poppy is a labour intensive crop



³⁶ In one village in the district of Surkhrud, respondents reported that there was an agreement to sell the 48 kilogramme of wheat seed donated to the village by the PRT and give the proceeds to the mosque rather than attempt to divide it amongst the 800 households residing in the village.

³⁷ Negar Ghobadi, Johannes Koett, and Renos Vakis. Moving out of poverty: migration insights from rural Afghanistan. January 2005. Page 15

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

There was a consensus amongst respondents that migration had increased dramatically in 2005. One third of those interviewed in the five districts had family members who had migrated this season. Others cited members of their extended family or fellow villagers having left. All of them attributed this increase in migration as a response to the loss in income they had experienced due to the opium poppy ban. All those interviewed in Bajazee chowk in Jalalabad had relocated from the district they resided in to search for work. These respondents were from a range of districts in both the provinces of Nangarhar and Laghman.

The increase in the rate of migration in the province could be seen just from the chowk itself. The number of men accumulating there was growing daily. At the time of the fieldwork there were 300 men collecting there each morning in search of employment. Of those interviewed three quarters had not migrated to Jalalabad the year before as they had sufficient work in their own district or worked as itinerant labourers in other districts within the province during the opium poppy season. Those that did migrate to Jalalabad to find work on an annual basis arrived earlier this year due to the paucity of off-farm income opportunities as a consequence of the ban. They noted reductions in wage labour opportunities as well as the wages themselves:

Last year I came to the chowk and found 10 months work. I was paid a daily wage of between 150 to 200PR per day and lunch was also included. This year I only have 5 months work and the daily wage is 150 PR.

Last year I came to the chowk to work after the poppy season had finished. I found work for 4 months in the city and was paid 200 PR per day. This year I come here every day to find work and find a job one day in every four. I get paid only 150PR per day.

Furthermore, respondents reported that family members had not just gone to Jalalabad. Kabul was a popular destination for migrants to find work in construction and both the Afghan National Army and the Afghan National Police. Respondents also reported that increasing numbers of family members and indeed whole families were departing for Pakistan, and in particular Peshawar. Migration to Pakistan was particularly common in the district of Kama, Shinwar, and Khogiani.

It was perhaps in the area of migration that coping strategies differed the most by locality. For instance, in Kama there was a far higher dependency on remittances from family members in Pakistan. Traditional links with the Mohmand Agency across the border meant that many respondents still had family members in Pakistan. Indeed, some had sent family members there more recently, ironically to work on the opium poppy harvest. Others had sent sons to live with relatives in Peshawar and search for employment.

In the district of Surkhrud by comparison there was a far greater reliance on the daily wage labour opportunities available from residing so close to Jalalabad. Those that did migrate out of the district typically consisted of young men looking for seasonal work in the construction industry in Kabul, including brick making factories. It was claimed that migration to Pakistan tended to be limited and none of those interviewed had family members that had gone to Peshawar.

Respondents in Achin district saw the opportunities of migrating as more limited. The costs associated with travel to Jalalabad and indeed Pakistan was seen as punitive.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

In Achin the continued presence of opium poppy cultivation, albeit much reduced, and the duration of the wage labour opportunities created by the National Solidarity Programme may well have reduced the pressure on households to migrate in search of employment.

The situation could not have been more different in the district of Khogiani. One third of those interviewed had sent family members to Pakistan, Kabul or Jalalabad this season. One old man in his sixties had sent both his sons (and their whole families) to Peshawar in February 2005 to find work. The result was, as opposed to the 2003/04 growing season where his sons were present and they had sufficient money to hire labour, this year the respondent was required to work on the land. On top of the high incidence of family members migrating amongst those interviewed in Khogiani, there were numerous reports of neighbours and fellow villagers departing in search of work. One respondent reported that 30 young men had left his village only last month to work in a brick factory in Kabul.

Respondents in upper Shinwar suggested it was common to find villages where as many as 50-60 young men had left the area of which it was thought that half had crossed the border to Pakistan. Of greater concern was the claim that increasing numbers of whole families had left for Pakistan, with rates of up to 10% of the total number of households in many of the village visited during the fieldwork in Shinwar.

It was also notable in both Shinwar and Khogiani that there were increasing numbers of families where the only male of the household had left in search of work. Generally the tendency in Afghanistan has been where there is only one adult male in the family there has been a reluctance to migrate³⁸ given concerns over the safety and security of the family. There were still households where this rule applied. However, there were a number of cases where this rule no longer seemed to apply, illustrating the economic crisis that some households were experiencing.

No one is with my family now. I am here [in Jalalabad] and there is no man with the family. This is difficult. I have one wife and four small children

Moreover, the rate of migration across the five districts was not believed to have reached its peak. Many respondents anticipated a greater outflow of people after the wheat harvest was completed. They also feared larger numbers of people would leave in June when the repayment of this season loans were due. These individuals were seen more as absconding rather than migrating per se.



Figure 7: The largest poppy fields seen in upper Shinwar were at most 200 square metres

In Shinwar district it was

³⁸ 'Households with more adults or children of working age are more likely to migrate'. See Negar Ghobadi, Johannes Koett, and Renos Vakis Moving out of poverty: migration insights from rural Afghanistan. January 2005. Page 14.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

common for respondents to equate the economic hardship they were experiencing with the Taliban ban of 2001. It was claimed that in 2001, faced with limited economic prospects, a number of respondents had departed for Pakistan only returning once it was clear they would be able to cultivate opium poppy. They reported that they would be doing exactly the same this year once the wheat harvest had been completed and would not return if the ban were maintained. This was a threat that was repeated in Khogiani and Achin.

5. Perceptions of the Ban

Judging by the responses from respondents during the course of the fieldwork political tensions in the districts were high.³⁹ Respondents in Shinwar, Achin and Khogiani were particularly agitated. Resentment towards the provincial and indeed central authorities was expressed openly and repeatedly. Many respondents in these three districts in particular singled out the President for attack:

Karzai's house is destroyed as my house is destroyed

Karzai is a Christian not a Muslim

Karzai has taken the fish from the water and thrown it to the ground. It will die

The President seemed to be a particular target for attack due to the coincidence of the Presidential inauguration and his subsequent declaration of the ban on opium poppy cultivation at the national jirga on Counter Narcotics (which followed the day after). These two events appeared to have merged in the minds of many respondents, in Shinwar and Achin in particular, who perceived the ban as a betrayal of the vote they had given to President Karzai in the elections.

I accept it I am a rich man. I am not poor. I have another source for my life. But most of the people are unhappy with Karzai. Almost all voted for him in the election and then after the election he banned poppy. At first they accept this as the government promised help but all they have is a few days work. They accept this only because they have no power.

There was also an overwhelming view that the ban on opium poppy cultivation was being driven by a foreign ('*kharaji*') agenda. This was articulated most vociferously in Achin district where a commander who had previously instructed local people to vote for President Karzai in the elections in November 2004 commented:

Karzai says he is ashamed because the Kharaji says his country grows poppy. He is not ashamed that people have no money, no bread? No Karzai is ashamed because we grow poppy!

Others were resentful, accusing the government of '*representing the American people not the Afghans*'. Some even offered solutions to the inevitable conflict between the economic needs of the Afghan population and the perceived drug control demands of the populations of western countries:

³⁹ Fieldwork was completed approximately three weeks prior to the riots in Jalalabad in which four people were killed and a number of offices of development agencies were ransacked.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

We should divide the poor of Afghanistan between the US, England France and Germany and the people of these countries should come to Afghanistan. If the people of these countries do not want opium poppy they can come here now that there is no poppy.

There is risk that this growing anger and resentment towards the Afghan government will impact on people's voting intentions, particularly in more remote districts who feel they have suffered most under the ban and benefited the least from development assistance. For example, in Achin one third of those interviewed reported they would vote against President Karzai in the upcoming election and a further third reported that they would not vote at all. In Shinwar district only one respondent indicated that he would vote for a parliamentary candidate that supported President Karzai all the others would either not vote or support a candidate that was opposed to the President.

Attitudes in the district of Surkhrud were far more circumspect. The majority of respondents accepted the government's ban and saw it as a price worth paying if peace could be maintained. As one respondent explained:

We want a future. We remember the war years and do not want to return there. We will support the government even if they do ban opium poppy next year.

One respondent in Surkhrud (the only one to do so) argued that the ban was a good thing: '*Since the ban we have good rain and snows*'

In the district of Kama respondents were also more compliant reporting that they had little option but to bow to the authority of the administration. Respondents in Khogiani, perhaps influenced by the recent very public raid on the district bazaar shared these sentiments. However, the implication of this was if the authorities' power weakened compliance with the ban would not be maintained:

The government has banned opium poppy by power. If next year they use their power the people wont cultivate, if they do not we will cultivate

6. Conclusions: The Policy Dilemmas

The ban on opium poppy cultivation enforced in Nangarhar in the 2004/05 growing season has clearly been successful in reducing opium poppy cultivation but it has also taken its toll on the population. It is not just poppy growers that have suffered. The ban has had a wide reaching impact across a variety of different groups. Rural labourers who have no land of their own but are employed during the weeding and harvesting season for the crop have lost as much as US\$ 1,000 in income due to the ban. Businessmen and shopkeepers in the provincial and district bazaars have seen their turnover halve due to the significant shortfall in purchasing power the ban has inflicted on the rural population. Unskilled daily wage labourers in the city may well have seen the number of days they were hired for fall by 75% and daily wage rates drop markedly due to the influx of migrant labour from rural areas in search of work.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

The most significant impact has been born by poppy growing households themselves but even this has been distributed unevenly depending on assets and capabilities, and ultimately, location. Those with access to larger and well-irrigated landholdings may well have seen more significant falls in on farm income due to the ban but where they are located in close proximity to the agricultural commodity markets of the provincial centre they have offset some of these losses with an increase in cultivation of high value crops. They have also drawn on the (albeit reduced levels of) licit income streams that they already have access to in Jalalabad and where possible increased the number of household members looking for daily wage labour opportunities. Whilst losses have been significant (and even this group has had to curb its expenditure on basic food items to make ends meet) the relatively resource rich have not had to sell their long term productive assets, such as livestock and land, and their investments in licit income streams, to cope with the ban on opium poppy cultivation.

In contrast, those most dependent on opium poppy and who cultivate it most intensively have adopted coping strategies that not only highlight a growing vulnerability but threaten their long term capacity to move out of illicit drug crop cultivation. Their loss of on-farm income of between US\$ 1,200 and US\$ 2,400, depending on land ownership, has not been offset even in part by an increase in the cultivation of high value licit crops due to constraints on irrigated land, the distance to markets, and the increasing control 'local officials' are gaining over the trade in licit goods. Instead opium poppy has been replaced by wheat but due to land shortages and the density of population yields will be insufficient to even meet the families' basic food requirements. Furthermore, a potential of five months employment at a value of up to US\$ 1,000 have been lost due to the ban, only to be replaced by intermittent wage labour at less than half the daily rate paid during the opium poppy harvest.

Problems accessing new loans have been compounded by an inability to pay accumulated debts. The resource poor have not only cut back on their consumption of basic food items; they have withdrawn their children from higher education; sold their livestock and household items, and where they have them, their investments in licit income streams. The resource poor have sent members or their family or entire family units within the household to find employment in Pakistan. They have also been the most vociferous in their opposition to the ban, and expressed hostility to the government and the foreign countries it believes to be pressing the drug control agenda.

So where does this leave us? No one should be surprised by the impact that enforcing a complete ban on opium poppy cultivation has on rural livelihood strategies across a province like Nangarhar. After all UNODC have documented the results of such a dramatic action both in the Kokang region of Myanmar⁴⁰ and indeed in Afghanistan in 2001.⁴¹

⁴⁰ *The consequence of an opium ban in the Kokang Region in 2003 had a severe humanitarian impact. In the first year following the ban, there was massive migration as people moved in search for food and income. The already meagre school enrolment dropped by 50% resulting in the closure of many community schools. Families could no longer afford to pay for health care.* UNODC 'Beyond the Opium Reduction is a Crisis in the Making' in Eastern Horizons, Autumn/Winter 2004. Page 31.

⁴¹ UNODC described the Taliban ban at the time as: '*an unprecedented success [in drug control terms], but in humanitarian terms a major disaster.*' Cited in Transnational Institute. 'Merging Wars: Afghanistan, Drugs and Terrorism.' Drugs & Conflict Debate Paper 3, November 2001.

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

The real issue is how households will respond in the coming season. Might low levels of cultivation be sustained in the lower lying districts around Jalalabad where access to irrigated land, as well as the labour and agricultural commodity markets of the provincial centre provide some semblance of a licit alternative to opium poppy cultivation; and of course where physical proximity to the provincial administration establishes the basis for improved governance and the rule of law? Will those in the more remote areas where opium poppy cultivation has typically been cultivated at its most concentrated and where licit livelihood opportunities are at their most illusive, plant opium once again as they have threatened to do?

Experience in Afghanistan would clearly suggest that after such a dramatic reduction in the province this year resurgence in cultivation is very likely in the 2005/06 growing season. There is certainly little to suggest that either the private sector or development assistance have as yet delivered a fundamental shift in rural livelihood strategies across the province. As was seen in the 1999/2000 and 2000/01 growing seasons simply replacing one annual crop, opium poppy, with another, wheat, does not lead to a sustainable change in livelihood strategies. After all it is not as if households have incurred any sunken costs, as they would with the planting orchards, that they would not wish to forego by returning back to opium poppy cultivation the following year.

For many of those interviewed during the course of this fieldwork, a large proportion of the wheat they cultivated this year could simply be replaced by opium poppy in 2005/06. The socio-economic and environmental processes that the ban on opium poppy cultivation has set in course in Nangarhar may facilitate just such a shift, by adding to the pressure for an increase in cultivation in some of the more opium poppy dependent areas of the province. In fact, there may well be a need for households to regain greater balance in their livelihood strategies after the excesses of the last two years: in 2003/04 with such high levels of opium poppy cultivation; and in 2004/05 with such a dramatic shift to wheat. .

Given the almost wholesale replacement of opium poppy by wheat and limited diversification into high value vegetable crops it is likely that wheat prices will fall considerably this year, renewing confidence in its availability in the market and reducing the pressure on households to cultivate their own wheat next year as a means of maintaining food security. Furthermore, having sold much of their livestock as a means of offsetting some of the shortfall in income experienced this year due to the opium poppy ban, households will also require less wheat straw in the coming winter season. Where they do need it they will have their own supplies from this year or be able to purchase it in the market at more affordable rates. Moreover, households will need to replenish the livestock that has been so critical for dealing with the dramatic loss in income many of them have experienced this year. Renewed and possibly increased opium poppy cultivation would be an obvious route to finance this.

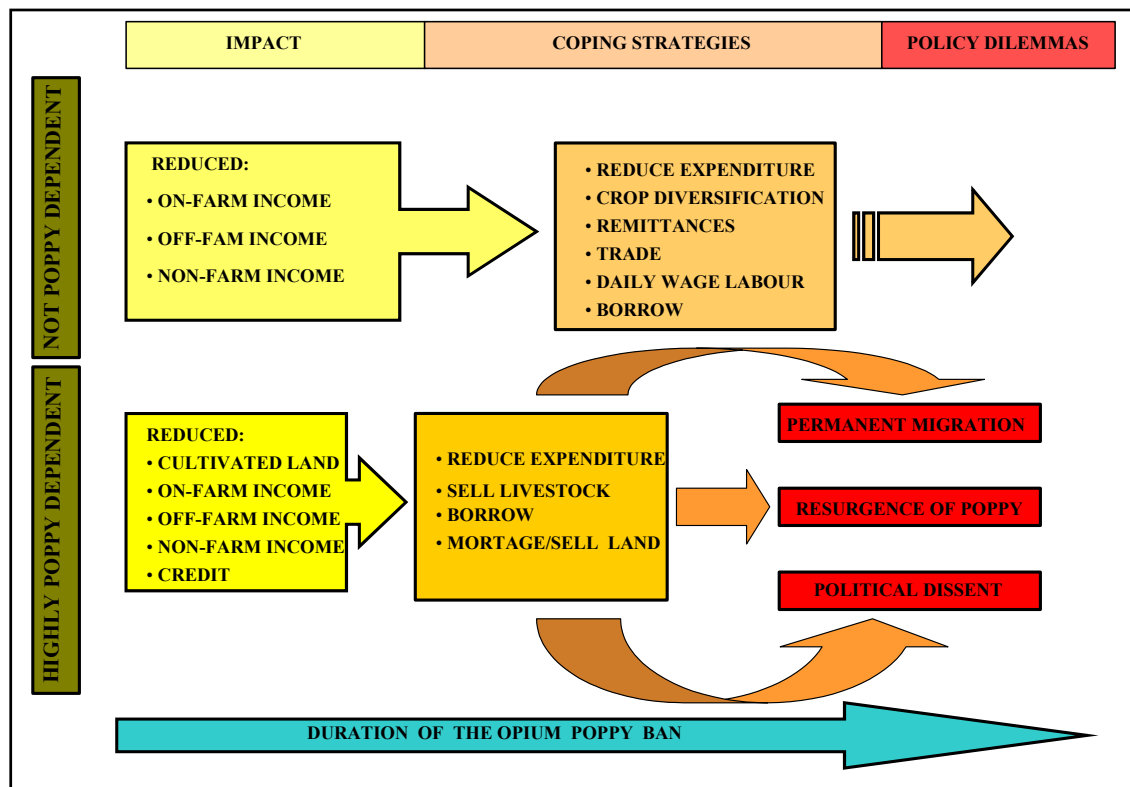
Similarly, the growing credit crisis does not bode well. Rising accumulated debts will need to be repaid if assets, including land, are not to be accrued by the resource wealthy, and in particular opium traders. The obvious way to repay these debts is through increased levels of opium poppy cultivation.

There must also be serious questions over whether much of the rural population could sustain such a significant shock to their livelihoods for a second year running. Even the relatively resource wealthy have cut back on their food consumption and healthcare costs. How would households that have already sold what assets they

Pariah or Poverty? The opium ban in the province of Nangarhar in the 2004/05 growing season and its impact on rural livelihood strategies

had respond to such an action? As it stands, from a wider livelihoods perspective the pressure to revert to opium poppy cultivation is intense, particularly in the more inaccessible districts such as Achin, Shinwar and Khogiani.

Ultimately the issue for the authorities will be how to respond to the growing pressures they face. Will they seek to avoid being categorised as a pariah state and press for the enforcement of the ban across the entire province for a second year regardless of the differing levels of dependency on the opium crop and economic potential of the areas in which opium poppy growers reside? If so what will be the cost of such a policy decision in terms of increasing levels of migration, political dissent and growing rural impoverishment? Indeed, can the government afford to implement a universal ban given the upcoming parliamentary election and the growing perception that it has failed to deliver the development assistance it promised when negotiated compliance with the ban? Only time will tell.



**ANNEX 1:
(Terms of Reference)**

TERMS OF REFERENCE

COPING STRATEGIES STUDY 2004/05

Objectives

- To assess the coping strategies households are adopting in response to the significant reductions in opium poppy cultivation this growing season (and how these differ by resource group);
- To identify what impact Cash-for-Work and other interventions are having on both household livelihood strategies and the potential of resurgence in opium poppy cultivation next season.

Background

There are reports of significant reductions in opium poppy cultivation in Afghanistan in 2004/05. Whilst these reductions may not be consistent across all areas, increasing wheat prices, and low opium yields and prices in 2003/04 are all thought to have combined to some degree to shift the balance between opium poppy and wheat cultivation this growing season in most provinces. However, reductions in Nangarhar, Helmand and Oruzgan are reported to be more significant due to the actions of the local authorities. In these provinces, the authorities report cultivation has fallen from between 60-80%

Yet, in the past dramatic reductions in opium poppy cultivation in Afghanistan have not been sustained. The impact of the Taliban ban on rural livelihoods was as dramatic as it was on the levels of opium poppy cultivation. The elimination of the crop not only led to a significant fall in on-farm income for those that cultivated opium poppy but was accompanied with a loss of employment opportunities for those involved in its harvest. The situation for the majority of farmers was further exacerbated by the dramatic increase in accumulated debt that they experienced when traders converted their unpaid loans, traditionally payable in opium, into cash at exchange rates of around 1,500%.

This Study will explore how this latest reduction will impact on rural livelihoods in Nangarhar and explore what coping strategies household are adopting. It will assess how some of the short term 'quick impact projects,' such as Cash-for-Work are meeting any shortfall in income that households are experiencing. Based on an assessment of the socio-economic, political and environmental factors that influence household's in their decision to cultivate opium poppy cultivation, and drawing on both historical precedent and a growing body of knowledge regarding rural livelihoods in Afghanistan, this Study will seek to outline how significant reductions in the hectareage of opium poppy might impact on both local elections and levels of cultivation next season.

Methodology

To distinguish between the localised and generic factors that influence household coping strategies fieldwork should be conducted in a number of different districts over

a wide geographical area within the province (see locations below). These districts should be chosen on the basis of diversity in both resources and levels of opium poppy cultivation. Ten to fifteen interviews should be conducted in each district identified. These interviews should be conducted across a number of different locations in the district and amongst a range of different socio-economic groups (landlords, tenants, sharecroppers, owner-cultivators), drawing on the typology of farmers developed by the PAL Livelihoods Study. Where possible interviews should also be held in the district/provincial bazaar with wage labourers.

Interviews should be conducted on a **one-to-one basis**; no group interviews should be undertaken. A formal questionnaire should **not** be used while conducting interviews. Instead the interviewer should focus on a number of key issues as listed below which should be discussed in a conversational manner. Notes should **not** be taken during the interview but should be written up once the interview has been concluded and the interviewer has departed. Quotes or anecdotes from farmers regarding opium poppy cultivation should be included where possible.

Location Fieldwork should be undertaken in the following districts in Nangarhar (if security conditions permit): Surkhrud, Kama, Achin, Shinwar and Khogiani

KEY ISSUES (to be discussed with each farmer)

Assets and liabilities

1. How much land did you cultivate this winter? Irrigated? Rainfed?
2. Do you own this land? Sharecrop? Lease?
3. How many jiribs of which crops have you cultivated?
4. And last year?
5. If you are landlord have you recruited as many sharecroppers as last year?
6. If you sharecrop or lease land have you found it easier/harder to obtain land this year compared to last? Why?

7. What livestock do you have? Number and type?
8. How many people in your household? Adults? Children?
9. How many work? Full time on the farm? Full time off the farm?
10. What do they do? Where? For how many months?

11. What high value items does the household have? (tractors, TV, generator, etc)

12. Have you obtained a loan this year?
13. What kind of loan? (cash, salaam)
14. Do you have an accumulated debt? How much?

Significant Change

15. Have you experienced a significant change in your livelihood this year?
16. What is the cause?
17. Why has it happened?

Coping Strategies

18. How has this significant change impacted on what you have cultivated this year?

- a. Have you increased the amount of land you dedicate to high value crops?
 - b. If not why not?
19. How has it affected the daily wage labour opportunities available to you and your family members?
- a. Where did you/they work last year?
 - b. What activities did you/they do and for how long?
 - c. What was the rate of pay?
 - d. How does this compare to this year?
20. In response to this significant change have members of your family migrated to find work in other areas?
- a. Where?
 - b. What are they doing?
 - c. How has it affected the rest of the family?
21. In response to this significant change have you sold household assets?
- a. Inventories of agricultural commodities? (livestock, opium etc)
 - b. Household goods? (crocery, carpets etc)
 - c. Mortgaged or sold land?
 - d. Long term productive assets? (oxen, farming equipment, daughters, etc)
 - e. What type/category of people are purchasing high value items?
22. Has there been an increase in the number of government/ donors projects in your area in response to this significant change?
- a. How have you benefited from these?
 - b. Who has benefited?

Impact

23. Overall are you experiencing a fall in income?
- a. If so what kind of items are you no longer purchasing?
 - b. How have your food items changed?
 - c. Has it affected expenditures in health and educations? Examples?
24. Will you be able to meet your debt repayments?
- a. If not what will you do?
 - b. Will you pay interest?
 - c. How will the lender react?
25. How does this significant change in your livelihood affect your attitude towards the local authorities?
- a. Central government?
 - b. What will you do in the parliamentary elections?
26. Do you think this significant change will be sustained into next season?
- a. If so how will you respond?