

The afghan opium poppy farmer: far from wealthy and keen on legal options

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While the battle against terrorism in Afghanistan has not ended another fight is yet to be fought: against opium poppy cultivation. The UN Drug Control Programme - UNDCP - estimates that the level of opium poppy cultivation in 2002 could be as high as 65,000 hectares. The Interim Authorities in Afghanistan know they must react but they also are aware that the rural population relies heavily on opium poppy production. Alternative Development can play a part improving the lives and livelihoods of farmers whilst eliminating opium poppy cultivation. However, in Afghanistan there is a long way to go before dramatic progress can be made.

During the Taliban regime opium poppy production was banned. In 2001 poppy was only grown on 7,606 hectares. For the new harvest in summer 2002 UNDCP expects between 1,900 and 2,700 metric tons of raw opium, based on an average national yield of 41 kilogrammes per hectare, the average production in Afghanistan during the past 8 years. This harvest will soon arrive on the growing drug markets of Iran, Pakistan, and Central Asia, as well as Western Europe and the United States.

Currently, the majority of the interventions announced to counter the Afghan drugs problem are law enforcement based. The logic of this strategy lies with the assumption that the absence of law and order and a crisis of governance are the determining factors in illegal drug crop cultivation. It is assumed that once opium poppy growing areas fall under the control of a central government, the risks of cultivating opium will become too high for farmers forcing them to give up opium production and cultivate other crops. However, it is important to recognise that in the context of Afghanistan governance is not just about enforcing the law over illicit drug crop cultivation but is as much about the protection of life and property, and the provision of public services – fundamental conditions for promoting economic growth and improving licit livelihood opportunities.

Those protagonists that focus purely on law enforcement fail to recognise the deeper causes of illicit drug production in Afghanistan and are in danger of following the same logic as to argue that a house should be built from the roof downwards. Most importantly, experience in other drug crop producing areas, such as in Colombia, has shown that an overemphasis on law enforcement to the neglect of development interventions can exacerbate conflict and force farmers to relocate their illegal production to more remote areas. The result is no net reductions in opium poppy and coca cultivation, and sometimes even an increase, and the concentration of illegal drug crop cultivation in areas totally impenetrable to the state.

The Interim Government in Afghanistan currently faces the dilemma of how to balance the demands of the different state and non-state actors involved in the Afghan illicit drug production. The Tokyo conference on Afghanistan in January 2002 called for action to control illicit drug production, processing, and trafficking. The donor community indicated that financial and technical assistance would be linked to the achievements of the Interim Authorities in controlling the production, trade and processing of opiates. However, the rural

population relies heavily on opium poppy cultivation as an important source of livelihood. Moreover, some of the regional warlords, be they allied with, or opposed to the Interim Government, have financial interests in the production of opium and its trade. As such, the Interim Administration needs to tread carefully if it is to meet both the demands of its supporters in the international community without alienating its own population.

Although the Afghan Government has officially committed itself to control drug production and trade in Afghanistan the realities - weak institutional capacity, political insecurity and ongoing fights against Al'Qaida - do not provide the best framework for promoting the socio-economic and governance conditions that will be essential to eliminating illicit drug crop cultivation and trade. So far neither the international donor community nor the multilateral organizations have offered a consistent approach to assist Afghanistan in controlling opium production or indicated how the conditionality inferred at Tokyo will be implemented in practice.

In order to develop effective drug control strategies in Afghanistan that can achieve both drug control and human development objectives, the Interim Authorities and the international community need to establish a clearer understanding of the realities of opium production in Afghanistan. There are too many stories in the print media that have clouded our understanding of why farmers cultivate illicit drug crops. Reports of insurmountable profits derived from opium poppy production in Afghanistan belie the reality on the ground. For reconstruction to progress it is essential that both the Interim Government and donors clarify what is known about the illegal drug economy and how it impacts on development. The myths have to be discarded if a viable strategy is to be developed.

The Afghan Ministry of Agriculture has announced immediate actions to control an upsurge of poppy cultivation expected in 2002. There further seems to be a consensus among the government and donors that urgent efforts are required.

Myth and realities about the profitability of opium poppy

The popular explanation for drug crop cultivation is the unrivalled profitability of opium poppy and coca. Indeed, reports of the unparalleled income that can be generated through the production of these crops can be found throughout the media coverage on illicit drug control.

As in-depth research undertaken in Afghanistan already has revealed, this explanation offers little rationale for the patterns of opium poppy cultivation in Afghanistan, where opium poppy is rarely mono-cropped, and where, despite suitable agricultural conditions across much of the country, only a fraction of the total cultivated land was planted with opium poppy, even when cultivation was at its height in 1999.

Moreover, in practice, there are crops being cultivated in each of the source regions that can generate higher net returns than opium poppy. The introduction of diversified cropping systems and the development of non-farm income opportunities have also proven that household income can be significantly increased despite the elimination of opium poppy. Yet, despite these successes, the argument regarding the unassailable profitability of opium poppy prevails.

Much of this argument takes a rather simplistic view of opium poppy cultivation, informed by economic rationalist concepts of profit maximising farmers. Those households that produce opium are assumed homogenous, having access to the same physical, financial, social,

natural, and human resources and selling their opium crop at the same time and at the same price.

Yet in reality there is great diversity in the socio-economic groups involved in opium poppy in Afghanistan and the assets at their disposal. Consequently, there is great disparity in the revenues that they accrue from its cultivation. Some households can earn significant returns on opium poppy by utilising the inequitable land tenure system, providing advance payments on the crop, and selling their opium long after the harvesting season. However, for the majority of households in Afghanistan opium poppy is a means of survival, providing access to land and securing the credit that is so critical for subsistence during the winter months.

Arguments regarding the unassailable profitability of opium poppy do little to explain the diversity in the cultivation of opium in a country like Afghanistan. In reality, whilst opium poppy has clearly become integral to the livelihood strategies of some, the amount of land dedicated to opium poppy in Afghanistan remains relatively insignificant, despite the fact that the agricultural conditions in much of the country are conducive to its cultivation. Indeed, during the 1998/99 cropping season, when cultivation was at its height, opium poppy occupied only 2.6 per cent of the total cultivated land. This raises the question that were opium poppy truly so profitable, would it not be more popular?

The sheer diversity in cultivation across Afghanistan tends to suggest that opium poppy cultivation is, in fact, highly dependent on local factors. Social and religious norms, as well as perceptions of morality, inform households in their decision to plant opium poppy. Access to land, water, and in particular, unremunerated and low paid labour, are important determinants in the level of opium poppy cultivation. The role of opium as a source of financial credit is also a particularly important motivation for its cultivation.

This is not to say that opium poppy is not a profitable endeavour; it can be. It does, however, suggest that opium poppy is not necessarily a profitable crop in all circumstances. In the current environment in Afghanistan opium poppy cultivation is clearly an appealing option. As a non-perishable, low weight - high value product, it is ideally suited to the war-damaged physical infrastructure. Moreover, as an annual crop, with a relatively guaranteed market, opium has provided a degree of security that many crops, such as fruit and vegetables, cannot offer.

The multifunctional role of opium for improving livelihood

The profitability of opium poppy is determined by the resource endowments of those involved in its cultivation. As opium poppy has become embedded within the socio-economic and political fabric of a particular area, it has become a medium of exchange between the resource rich and the resource poor, creating a symbiotic relationship

For the resource rich, their control over resources allows them to determine the rules of exchange by which they acquire opium. Consequently, traditional land tenure arrangements and informal credit systems have been modified in order to favour the cultivation of opium poppy. Within this new framework, opium has come to represent a commodity to be exchanged, not only for the purchase of food but as the means for achieving food security, providing the resource poor with access to land for agricultural production and credit during times of food scarcity.

In its simplest form, the annual gross returns on opium poppy, assuming an average yield of 41 kilogram per hectare and an average harvest price of 37 US-Dollar (USD) per kilogram, would be the equivalent of 1,517 USD per hectare at harvest time. However, a household contracted to provide labour under a sharecropping agreement in the southern region, would receive one third of the final crop, but only after deductions have been for the agricultural tithe, known as *ushr*, and any labourers employed during the harvest.

Estimates suggest that one hectare of opium requires as much as 350 person days of work compared with only 41 days for wheat. To minimise the cost of labour households have adopted a myriad of strategies, including staggered planting, the cultivation of a combination of both short and long maturing varieties of opium poppy, and maximising the use of family and reciprocal labour.

The primary strategy of resource poor households in source areas has been to cultivate a level of opium poppy that is commensurate with the family labour supply. Both staggered planting and the cultivation of different varieties of opium poppy serve to increase the amount of land that can be cultivated using family labour.

In Afghanistan, there are a range of crops including, apricots, apples, black cumin grapes, pomegranates, and melons that can generate higher returns than opium poppy. In some years, where the farmgate price of opium has fallen and hired labour costs have increased, wheat has also succeeded in generating higher profits than opium poppy.

The reality is opium plays a multi-functional role in the livelihood strategies of the poor, providing access to land, credit and an important source of off-farm income for those households with insufficient land to satisfy their basic needs. Even the by-products of opium poppy have been found to have a high use-value. For the resource poor, the income that households accrue for their work on opium poppy is only one motivation for its cultivation.

However, for the resource rich, opium poppy can generate a relatively high income. Access to cheap labour through the inequitable land tenure system has ensured that landowners have accrued a disproportionate share of the final opium crop. Those with sufficient financial assets have further increased their profit margins on opium poppy by purchasing opium as a 'distress sale', through the provision of advance payments on the crop prior to its harvest. Finally, by retaining their opium crop and selling it some months after the harvest when prices have risen, those households who are least dependent on opium poppy as their sole source of income are most able to benefit.

Yet, the income that the resource rich derive from opium poppy is at the cost of the resource poor. After all, it is the poor that provide the low paid labour; it is the poor that are compelled to sell their opium at low prices prior to the harvest; and it is the poor that are most dependent on opium poppy due to limited on-farm, off farm and non-farm income opportunities.

Attempting to replace the income derived from opium poppy is a necessary but insufficient condition for reducing levels of cultivation. Such a strategy will satisfy only wealthier households that produce opium poppy for extra income. Indeed, experience highlights, that it has typically been the wealthier members of communities that have benefited disproportionately from alternative development projects. Alternative development interventions need to recognise that the socio-economic and political structures that create and maintain poverty in Afghanistan have also encouraged the cultivation of opium poppy. A

more pro-poor approach to alternative development is needed if both conventional development objectives and drug control objectives are to be achieved.

What can Alternative Development achieve?

The arguments presented in this article indicate that there is a close connection between drugs and Afghanistan's development problems. Consequently, if development in the region is to be sustainable, the extent to which economic, social and political development problems lie at the root of the drugs problem must be thoroughly explored, as must, conversely, the impact of the drugs issue on development processes.

Most importantly, it is abundantly clear that if the cultivation, production and processing of opiates is not adequately addressed it will undermine reconstruction in Afghanistan. This applies not only for emergency and development measures of bilateral and non-governmental organizations and donors, but to humanitarian aid as well, particularly in those areas of Afghanistan that cultivate opium poppy. Experience in other source areas has shown that, with close coordination, aid organizations, donors and the UN can influence the position of local leaders regarding illegal drug production and trade. However, were the responsibility for this kind of coordination to be left entirely to the future transitional government in Afghanistan, there would be a danger of political fragmentation. This would especially apply if drug-control measures were confined to law enforcement and other repressive measures without the inclusion of interventions aimed at developing alternative livelihoods. Ultimately, it is a question for the Afghan people and donors alike: what is the price of stability and security in Afghanistan? and is it worth paying? For the Afghan people it clearly is. For the donors, the development of a country destroyed by over twenty years of war should be justifiable from a purely humanitarian perspective, however, if it is not then it clearly can be justified on the basis of both counter terrorism and counter-drugs objectives – what is clear is that none of these objectives are mutually exclusive.

At the end it is to bring the Afghan communities and individual households in the position that they see themselves as better off without opium. Therefore, the secret of success lies in self-reinforcing drug control approaches, with the community acting as the guardians of non-poppy behaviour.