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## Afghanistan's Opium Crisis Undermines Its Long-Term Stability

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Abstract:

**In plain view of the United States and the international community, the opium trade is overwhelming Afghanistan's legitimate government.**

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*"It is not the resurgence of the Taliban but the linkage of the economy to drug production, crime, corruption and black market activities which poses the greatest danger for Afghanistan." – Gen. Jim Jones, May 19, 2006 [1]*

In plain view of the United States and the international community, the opium trade is overwhelming Afghanistan's legitimate government. The facts are stunning: in 2001, after a Taliban ban on poppy cultivation, Afghanistan only produced 11 percent of the world's opium. Today it produces 93 percent of the global crop; the drug trade accounts for half of its GDP; and nearly one in seven Afghans is involved in the opium trade. In Afghanistan, more land is being used for poppy cultivation than for coca cultivation in all of Latin America. The trade strengthens the government's enemies and – unless its large place in the Afghan economy is permanently curtailed by crop replacements and anti-poverty efforts – poses a potentially fatal obstacle to keeping the country stable and peaceful.

Afghanistan is caught in a vicious cycle. The fall of the Taliban brought the end of their highly coercive crop reduction program. A combination of U.S. inattention and widespread insecurity and poverty allowed poppy cultivation to explode. As the opium economy expanded, it spread corruption and empowered anti-government forces, undermining the Afghan state, leading to more poverty and instability, which in turn only served to further entrench the drug trade. Meanwhile the illicit activity has been a boon to the Taliban insurgency, which has traditionally used poppy cultivation as a lever to improve its own position. Today, the Taliban relies on opium revenues to purchase weapons, train its members, and buy support.

Combating the drug trade will require a long-term commitment, not just to counter-narcotics, but to strengthening Afghanistan's government and improving the lives of its people. The Bush Administration's efforts, which have focused primarily on eradication, have been ineffective. Only a

comprehensive, long-term approach designed to improve the lives of Afghans and empower the Afghan state can be successful.

## **THE OPIUM PROBLEM FACING AFGHANISTAN IS UNPRECEDENTED IN BOTH SIZE AND SCOPE**

**Afghanistan now produces 93% of the world's opium.** The United Nations Office on Drugs and Crime (UNODC) reported in its 2008 winter assessment that an “area of 193,000 ha [hectares] was under opium poppy cultivation in 2007, which represents an increase of 17 percent as compared to 2006.” [UNODC Winter Assessment, [2/08](#) [2] , UNODC Annual Report on Narcotics, [2008](#) [3] ]

**Narcotics generate revenues of more than \$4 billion a year – half of Afghanistan's GDP.** Additionally, an alarming number of Afghans, over 3.3 million, participate in the opium trade. [UNODC Annual Report on Narcotics, [2008](#) [4] , UNODC Afghanistan Opium Survey, [2007](#) [5] ]

**Today's Afghan opium crisis is without modern or historical precedent.** The UNODC determined that Afghanistan's 2007 opium harvest was of “unprecedented size in modern times and unseen since the opium boom in China during the nineteenth century.” UNODC investigations also concluded that “the amount of Afghan land used for growing opium is now larger than the combined total under coca cultivation in Latin America.” [UNODC, Afghan Opium Survey, [2007](#) [6] , UNODC Annual Report on Narcotics, [2008](#) [7]]

## **OPIUM CREATES A VICIOUS CYCLE THAT UNDERCUTS COALITION EFFORTS, WEAKENS THE AFGHAN STATE AND EMPOWERS THE TALIBAN**

**The drug trade is funding the Taliban insurgency.** According to UNODC Director Antonio Maria Costa, profits from the poppy harvest help anti-government forces. His Winter Assessment found that “taxes on the crop have become a major source of revenue for the Taliban insurgency,” and Costa himself declared that “this is a windfall for anti-government forces, further evidence of the dangerous link between opium and insurgency.” ISAF Commander, General Dan McNeill lamented that “poppy cultivation undermines everything we are trying to do here,” and estimated that 20% to 40% of opium profits funded insurgents. [UNODC Winter Assessment, [2/08](#) [8] , Der Spiegel, [9/24/07](#) [9] ]

**Lawlessness and insecurity allow both the drug trade and the insurgency to flourish, spawning greater instability and further undermining coalition efforts to strengthen the Afghan state.** A recent World Bank report argued that “the opium economy and the insurgency both thrive in an environment where there is insecurity, lack of rule of law, and a weak and corruptible state. Thus even though their interests are by no means always intertwined, there are synergies between the Taliban and drug interests (including notably in Helmand Province) that damage Afghanistan's state-building agenda.” [World Bank, [03/08](#) [10] ]

**Drug trafficking and corruption are mutually reinforcing, plaguing high levels of the Afghan Government.** “Drug traffickers in Afghanistan have close relationships with Afghan government officials or serve in government themselves. According to the U.S. State Department's 2007 International Narcotics Control Strategy Report on Afghanistan, ‘drug-related corruption remains a problem, being particularly pervasive at provincial and district government levels.’” [Center for American Progress, [11/07](#) [11] , US State Department, [3/01/07](#) [12] ]

**Opium cultivation inhibits the development of the Afghan economy.** The World Bank found that dependence on opium prevents Afghanistan's economy from developing. "Labor in opium harvesting as well as (at relatively high levels of risk) opium trading earns such high returns that shifting to other, licit activities is discouraged." [World Bank, [03/08](#) [13] ]

**The drug trade is so large and involves so many Afghans that the country has become dependent on its continuation.** The Afghan narcotics industry "includes not only the one in seven Afghans who are involved directly in poppy cultivation according to UNODC...but also all those involved in trafficking as well as the commerce, construction, and other economic activities that narcotics revenue finances." [Center on International Cooperation at NYU, [02/08](#) [14] ]

## **THE U.S. HAS FAILED TO MEET THE IMMENSE CHALLENGES POSED BY AFGHANISTAN'S OPIUM INDUSTRY**

**U.S. strategy has overwhelmingly emphasized eradication, despite poor results.** Expert studies from the World Bank, NYU's Center on International Cooperation (CIC), and others have found that eradication cannot be the central aspect of a successful counter-narcotics policy. It raises prices, "thereby making more money available for insurgency, and causes cultivation to migrate to more remote areas." Second, eradication's gains are fleeting if not married with a broader strategy emphasizing economic development and government capacity building. As the World Bank found, opium production rebounded not only after the 2001 Taliban ban on poppy cultivation, but also after a 2004 ban levied in the opium-rich Nangarhar province. Finally, eradication causes hardship on the most impoverished Afghans, undercutting support for the government the programs are intended to strengthen. [Center on International Cooperation at NYU, [2/08](#) [15] , World Bank, [03/08](#) [16] ]

**Current U.S. policy lacks support from the Afghan people.** "The U.S. has identified eradication as the focal point of their counter-narcotics plan for the country, even as the Karzai government has made their discomfort with eradication known. Karzai himself has argued that such activity would cause a backlash among Afghan farmers that could produce more support for the Taliban." Analysis from the CIC also indicates that though support for counter-narcotics is high, Afghans resent current, unbalanced U.S. policy. [Congressional Research Services, 1/28/08, Center on International Cooperation at NYU, [2/08](#) [17]]

**Other approaches, especially 'alternative livelihoods,' are under-funded or have gone unimplemented.** "The shift to an 'alternative livelihoods' concept was meant to encompass these broader factors, including access to assets like land, water, and credit, as well as markets. But this conceptual [program] improvement has not been translated into practice, as alternative livelihoods programs have continued to focus on discrete [geographically bounded] projects mainly involving other crops [and not alternative economic activity.]" Existing efforts to address the roots of the opium trade have been either short-term or narrowly focused. [World Bank, [03/08](#) [18] ]

## **THERE MUST BE A NEW LONG-TERM, COMPREHENSIVE COUNTER-NARCOTICS POLICY THAT DIRECTS ASSISTANCE TO THE AFGHAN STATE AND ITS PEOPLE**

**The U.S. should implement an “Afghan-centric” counter-narcotics policy that seeks to improve the lives of Afghans.** The U.S. should pursue a policy with a goal to “enhance the livelihoods of the Afghan people.” For this to occur, the U.S. must elevate the importance of alternative livelihood programs, as analysis has shown that villages receiving development assistance are less likely to cultivate opium. This means increasing development assistance across the entire country, creating services that make alternative crops viable as an industry, and investing in programs that help to ease the transition into licit economic activity. [Jones-Pickering, 1/30/08 [19] , UNODC, 2/08 [20] , Center for American Progress, 11/07 [21] ]

**Expanded state capacity will be crucial for undercutting damaging opium production.** “The essential condition for implementing counter-narcotics policy is ‘a state that works.’ The state in Afghanistan can be built only by reserving scarce coercive resources for targeting political opponents at the high end of the value chain, rather than farmers and flowers, while greatly expanding the incentives (where international actors should have a decisive advantage) to win people over to the side of the government and its international supporters.” [Center on International Cooperation at NYU, 2/08 [22] ]

**A successful counter-narcotics strategy must use interdiction in concert with eradication.** 70-80 percent of the opium trade’s value comes from activities other than farming. According to the Jones-Pickering report, “there must be a greatly enhanced interdiction effort, going beyond seizing [drug shipments] from traffickers. It must start at the top, with the removal of high officials benefiting from the trade.” [Center on International Cooperation at NYU, 2/08 [23] , Jones-Pickering, 1/30/08 [24] ]

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**Links:**

[1] <http://www.iht.com/articles/2006/05/19/news/afghan.php>

[2] <http://www.unodc.org/documents/crop-monitoring/Afghan-winter-survey-Feb08-short.pdf>

[3] [http://www.unodc.org/documents/about-unodc/AR08\\_WEB.pdf](http://www.unodc.org/documents/about-unodc/AR08_WEB.pdf)

[4] [http://www.unodc.org/documents/about-unodc/AR08\\_WEB.pdf](http://www.unodc.org/documents/about-unodc/AR08_WEB.pdf)

[5] [http://www.unodc.org/pdf/research/AFG07\\_ExSum\\_web.pdf](http://www.unodc.org/pdf/research/AFG07_ExSum_web.pdf)

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[7] [http://www.unodc.org/documents/about-unodc/AR08\\_WEB.pdf](http://www.unodc.org/documents/about-unodc/AR08_WEB.pdf)

[8] <http://www.unodc.org/documents/crop-monitoring/Afghan-winter-survey-Feb08-short.pdf>

[9] <http://www.spiegel.de/international/world/0,1518,508021,00.html>

[10]

[http://www-wds.worldbank.org/external/default/WDSContentServer/TW3P/IB/2008/03/04/000158349\\_20080304082230/Rendered/PDF/wps4545.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/TW3P/IB/2008/03/04/000158349_20080304082230/Rendered/PDF/wps4545.pdf)

[11] [http://www.americanprogress.org/issues/2007/11/pdf/afghanistan\\_report.pdf](http://www.americanprogress.org/issues/2007/11/pdf/afghanistan_report.pdf)

[12] <http://www.state.gov/p/inl/rls/nrcrpt/2007/>

[13]

[http://www-wds.worldbank.org/external/default/WDSContentServer/TW3P/IB/2008/03/04/000158349\\_20080304082230/Rendered/PDF/wps4545.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/TW3P/IB/2008/03/04/000158349_20080304082230/Rendered/PDF/wps4545.pdf)

[14] <http://www.nyu.edu/pages/cic/afghanistan/docs/counternarcoticsfinal.pdf>

[15] <http://www.nyu.edu/pages/cic/afghanistan/docs/counternarcoticsfinal.pdf>

[16]

[http://www-wds.worldbank.org/external/default/WDSContentServer/TW3P/IB/2008/03/04/000158349\\_20080304082230/Rendered/PDF/wps4545.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/TW3P/IB/2008/03/04/000158349_20080304082230/Rendered/PDF/wps4545.pdf)

[17] <http://www.nyu.edu/pages/cic/afghanistan/docs/counternarcoticsfinal.pdf>

[18]

[http://www-wds.worldbank.org/external/default/WDSContentServer/TW3P/IB/2008/03/04/000158349\\_20080304082230/Rendered/PDF/wps4545.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/TW3P/IB/2008/03/04/000158349_20080304082230/Rendered/PDF/wps4545.pdf)

[19] [http://www.thepresidency.org/pubs/Afghan\\_Study\\_Group\\_final.pdf](http://www.thepresidency.org/pubs/Afghan_Study_Group_final.pdf)

[20] <http://www.unodc.org/documents/crop-monitoring/Afghan-winter-survey-Feb08-short.pdf>

[21] [http://www.americanprogress.org/issues/2007/11/pdf/afghanistan\\_report.pdf](http://www.americanprogress.org/issues/2007/11/pdf/afghanistan_report.pdf)

[22] <http://www.nyu.edu/pages/cic/afghanistan/docs/counternarcoticsfinal.pdf>

[23] <http://www.nyu.edu/pages/cic/afghanistan/docs/counternarcoticsfinal.pdf>

[24] [http://www.thepresidency.org/pubs/Afghan\\_Study\\_Group\\_final.pdf](http://www.thepresidency.org/pubs/Afghan_Study_Group_final.pdf)