Today’s counternarcotics chic contains the idea of a fundamental synergy among curbing the international drug trade, fighting the war on terrorism, and promoting democracy. In recent years, widespread attention to these links has introduced hip new terms such as narcoterrorism, narcoguerrilla, narcostate, and narcofundamentalism into the lexicon of U.S. officials, major international organizations, and the larger policy community. In Afghanistan, presumably consistent counterinsurgency, democratic stabilization, and counternarcotics measures have become the cornerstone of the international community’s policies. A huge explosion of opium poppy cultivation since the fall of the Taliban has led President Hamid Karzai, the United States, and the United Kingdom—the lead nation responsible for counternarcotics activity in Afghanistan under the UN Assistance Mission in Afghanistan (UNAMA) framework—as well as major international organizations to declare that drugs now constitute the greatest threat to Afghanistan’s democratic consolidation and economic development.\(^1\) The prevailing strategy to prevent Afghanistan from becoming irretrievably addicted to its narcoeconomy has been to intensify counternarcotics efforts. Karzai has declared a war against poppies, describing the Afghan opium trade as a worse “cancer” than terrorism or the Soviet invasion of 1979.\(^2\) In March 2005, the Pentagon even expanded the mission of U.S. military forces in Afghanistan to include support of counternarcotics operations, including “transportation, planning assistance, intelligence, [and] targeting packages,” as well as in extremis support for Drug Enforcement Administration and Afghan officers who come under attack.\(^3\)

Vanda Felbab-Brown is a Ph.D. candidate in political science at the Massachusetts Institute of Technology and a fellow at Harvard University’s Belfer Center for Science and International Affairs.

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Yet, paradoxically, counternarcotics efforts frequently complicate counterterrorism and counterinsurgency objectives and can also undermine democratization in fragile situations. Counternarcotics measures frequently threaten the security environment by undermining efforts at political stabilization and democratic consolidation without addressing the underlying economic causes. They compromise intelligence gathering, alienate rural populations, and allow local renegade elites successfully to agitate against the central government. Among the three most common counternarcotics strategies—eradication, interdiction, and alternative development—eradication poses potentially disastrous risks for Afghanistan’s political stabilization and economic reconstruction while interdiction greatly complicates counterterrorism objectives. The obstacles to achieving successful alternative development are enormous. A fourth, softer strategy toward the drug dealers—amnesty—also entails serious negative repercussions.

The Opium Boom

The explosion of drug cultivation in Afghanistan has been ignited both by opportunity and necessity. The state’s critical weakness and the existence of powerful local sponsors have provided the opportunity, while the devastation of the Afghan economy has left the impoverished Afghan people with no alternative to survive. Afghanistan’s legal economy has been ruined, first in the 1980s when Soviet counterinsurgency policy attempted to deprive the mujahideen of resources and popular support by destroying rural agriculture and depopulating the countryside, then by the civil war of the 1990s, and subsequently by the fundamental neglect of economic development and the brutalization of women under Taliban rule.

The Taliban profited immensely from drug production in territories under its control, as did the Northern Alliance in its regions. After an initial year of religious zealouosity to try to eradicate the burgeoning poppy cultivation in 1994–1995, the Taliban decided that eradication was both financially unsound and politically unsustainable. The fundamentalist religious movement progressively shifted its attitude toward tolerating poppy cultivation, then to levying a 10–20 percent zakat, or tax, on cultivation and processing, and finally to actively encouraging poppy cultivation and even teaching farmers how to achieve greater yields. Profits from the opium trade, estimated at $30–200 million a year, were roughly comparable to the Taliban’s profits from illegal traffic of legal goods under the Afghan Transit Trade Agreement and constituted a major portion of the country’s gross domestic product (GDP) and income. In 2000–2001, when the Taliban finally declared poppy cultivation illegal to placate the international community, receive recogni-
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As a legitimate government, boost opium prices, and possibly also consolidate its control over Afghanistan's drug trade, it had already stored enough heroin to maintain its money supply without new poppy cultivation for many years.

The devastating drug statistics coming out of Afghanistan since the fall of the Taliban are old hat. It has become common knowledge that Afghanistan supplies more than 75 percent of the heroin in the global market and more than 95 percent in the European market. Profits from the drug trade are the equivalent of more than 60 percent of Afghanistan's legal GDP. Statistics for 2004 paint a bleak picture, the latest in a steadily worsening trend since 2001: last year, poppy seeds were the crop of choice for 131,000 hectares of land in Afghanistan. Opium poppy cultivation thus increased 64 percent from 2003 and had spread to all 32 provinces. Opium production was up by 17 percent, totaling 4,200 tons. These numbers are very high, but they are still far lower than the potential resin harvest from 131,000 hectares. This “limited” production was the result of unfavorable weather conditions, not counternarcotics measures. Moreover, unlike in other drug-producing countries, poppy cultivation in Afghanistan is not limited to remote areas inaccessible to the government. It is everywhere.

In a country where 70 percent of the population lives below the poverty line, drugs represent not only a lucrative but also, crucially, a reliable source of livelihood. Although good weather and auspicious international market conditions can cause legal agricultural products such as saffron, specialty fruits, or even wheat to sell sometimes at higher prices than opium, other structural factors strongly favor the cultivation of illicit crops. First, the majority of microcredit available in Afghanistan is currently based almost solely on opium, which, being less susceptible to bad weather conditions and market price fluctuations, is a less risky investment. Local creditors advance money to peasants to buy seeds for next year, as well as food and clothes to withstand the winter, in return for the peasants' agreement to grow a determined amount of opium. Credit for other forms of economic activity is almost nonexistent. Second, legal crops involve large sunk and transaction costs. They require fertilizers and irrigation, both of which are expensive or largely absent in Afghanistan. Legal crops such as fruit also tend to spoil easily and thus lose their value if not delivered on time to local markets, unlike the lightweight and nonperishable opium. Furthermore, local traffickers occasionally pick up raw opium directly from farmers, relieving them of the need to undertake an expensive trip to regional markets on a poor road system.

The reality is that economic progress in Afghanistan is largely financed by drug profits.
The UN Office on Drugs and Crime estimates that 7 percent of the Afghan population profits directly from the drug trade. Yet, this number fails to capture the true size, scope, and economic importance of the drug economy. It does not include the itinerant laborers hired during harvest times and their families; those who live off of imports such as durable consumer goods, fuel, and medicines that are purchased with drug profits; those who profit from the development of local production and sales underwritten by drug profits; or those who benefit from the development of local services such as teashops and resthouses for traffickers. Even as U.S. officials point to the real estate boom and business activity visible in many Afghan cities as a sign of progress, the reality is that such progress is in large part financed by profits from the drug industry.

The Consequences of the Opium Boom

The opium poppy cultivation boom not only negatively affects U.S. and western European interests in reducing their own domestic drug consumption, but it also has had negative consequences for Afghanistan’s security, politics, and economics. Regional warlords reap vast benefits from drug production, threatening Afghanistan’s fragile security environment. With profits in the tens of millions of dollars, local strongmen can easily finance their militias and buy their popularity by subsequently investing a portion of the profits in local development projects such as schools, sewage and irrigation systems, and clinics. Even after the partial demobilization of some of the most prominent warlords’ militias, accumulated profits make it potentially simple for many warlords to reconstitute them. Adding to the state’s difficulty in maintaining security is the problem of border patrol, given Afghanistan’s rough terrain. Drug-smuggling routes used in the 1980s to move drugs in one direction and weapons in the other via Pakistan, Iran, and Central Asia are similarly used today.

Burgeoning drug production also threatens Afghanistan politically by providing an avenue for criminal organizations and corrupt politicians to enter the political space, undermining the democratic process. These actors, who enjoy the financial resources and political capital generated by sponsoring the illicit economy, frequently experience great success in the political process and are able to secure official positions of power as well as wield influence from behind the scenes. Consequently, the legitimacy of the political process is subverted. The problem perpetuates itself as successful politicians bankrolled with drug money make it more difficult for other actors to resist participating in the illicit economy, leading to endemic corruption both at the local and national levels.
Finally, in the long term, large-scale drug production has severe negative economic impacts, contributing to inflation, encouraging real estate speculation and a rapid rise in real estate prices, and undermining currency stability. Afghanistan is already experiencing widespread real estate speculation behind the construction and business activity visible in cities. In major drug-producing and -trafficking regions, such as Badakshan, poppy cultivation has driven up prices of consumer goods and dowries. Drugs also displace legitimate production. In Badakshan, the opium boom raised the cost of labor to the degree that no wheat was harvested in 2003. During that year, although farmers could earn as much as $12 a day cultivating opium, the U.S. Agency for International Development only offered $3–$6 a day to its Afghan employees. The local population is thus frequently uninterested or unable to participate in a different form of economic activity, complicating efforts at local development. Those who grow opium are able to purchase televisions, electric generators, motorcycles, and even cars and can afford medical care in Pakistan and large dowries for their daughters. Growing poppies is thus not simply about survival in the face of grinding poverty, but also upward mobility.

Although the damage that the opium boom inflicts on Afghanistan's security, politics, and economy is undeniable, the frequently mentioned connection between Al Qaeda (or some loose post–Al Qaeda network) and the drug trade in Afghanistan is in fact rather murky. Belligerent groups such as warlords, local terrorists, and insurgents generally profit in one of three ways: taxing production or processing, providing protection for traffickers and taxing them for this service, or engaging in money laundering. Taxing production and processing requires at least partial control of the territory engaging in cultivation, which Al Qaeda does not have in Afghanistan today. Similarly, direct trafficking and providing security for traffickers within the drug-producing country—fairly common revenue sources for belligerent groups in countries such as Peru and Colombia—demand an intimate and up-to-date knowledge of territory and the positions of counternarcotics forces as well as an ability to move through the territory easily. Although some Al Qaeda members undoubtedly have knowledge of Afghanistan’s territory, given U.S. anti–Al Qaeda efforts in Afghanistan, it is a much easier endeavor for non–Al Qaeda actors to provide such services and a much riskier investment for regional drug barons to hire Al Qaeda affiliates for traffic within Afghanistan.
Still, some analysts maintain that Al Qaeda is profiting from the drug trade by supplying gunmen to protect drug labs and convoys. Although this assertion is plausible, Al Qaeda’s ability to penetrate the Afghan drug trade depends on whether other actors are alternatives able to protect the same labs and convoys. The greater the number of local militia commanders available, the smaller the opportunity for Al Qaeda to inject itself into this role. Currently, many local actors in Afghanistan are willing to provide these services. Ironically, if the Afghan government and international forces manage to expel local warlords from the drug trade and disrupt the current trafficking routes, Al Qaeda, if not also neutralized, would have all the more opportunity to benefit from trafficking. The best available evidence seems to indicate that Al Qaeda has penetrated some transit segments of the drug routes outside of Afghanistan. A Baluchistan trafficker linked to Al Qaeda’s financing, Haji Juma Khan, is believed to be employing a fleet of cargo ships to move Afghan heroin out of the Pakistani port of Karachi. The arrest of Afghanistan’s number one drug dealer, Haji Bashir Noorzai, in New York at the end of April 2005 was surrounded by reports that Noorzai had hired Al Qaeda operatives to transport heroin out of Afghanistan and Pakistan.

It is also possible that Al Qaeda could profit from drug-related money laundering, which remains the weakest and most underemphasized issue in counternarcotics efforts. Combating money laundering is extraordinarily difficult because there are a large menu of laundering options, such as cash smuggling, currency exchange bureaus, front companies, purchase of real estate, securities, trusts, casinos, and wire transfers, and because it requires intensive international cooperation that is frequently lacking. In the case of Al Qaeda, the problem is further complicated by the availability of informal funds transfer systems, such as hawala, that easily escape monitoring. Experience with drug money laundering in Latin America indicates that, at least in that drug market, drug traffickers would pay 4–8 percent and sometimes as much as 12 percent for laundering services. Some counternarcotics experts believe that Al Qaeda and the Taliban make tens of millions of dollars on drug-related activities. It is therefore possible that, if Al Qaeda were involved with money laundering, it could make at least $400,000. Because the FBI estimates that the September 11 attacks cost $300,000–500,000, such profits from drug-related money laundering would be significant. On the other hand, U.S. intelligence officers have been quoted estimating that Al Qaeda’s annual budget is in the tens of millions. From this perspective,
the $400,000 from drug-related money laundering would seem less noteworthy. Regardless, there is little publicly available data to determine whether Al Qaeda is involved in this activity.

In fact, the problem with many of the reports on Al Qaeda’s involvement in the drug trade is their conjectural quality. The allegations always lump together Al Qaeda and the Taliban when referring to their involvement in the Afghan drug trade. Consequently, even if it were true that combined the two groups make tens of millions of dollars on the drug trade, it would still not be clear how much of it actually goes to Al Qaeda.

The Shortcomings of Counternarcotics Strategies

The U.S. counternarcotics policy in Afghanistan has evolved from not dealing with the drug situation to emphasizing the most counterproductive counternarcotics strategy: eradication. In mid-2002, the Pentagon decided that, to avoid diverting the already small numbers of U.S. troops in Afghanistan from their primary anti-Al Qaeda and anti-Taliban missions, U.S. forces would not participate in drug interdiction and eradication. Under the UNAMA framework, counternarcotics efforts were delegated to the United Kingdom as the lead country while police and judicial reform, which also influence counternarcotics, were delegated to Germany and Italy, respectively. Since 2002, the British have tried several approaches, from a scheme to buy back illicit crops to a governor-led provincial eradication program, neither of which succeeded in making a dent in the burgeoning drug production and trade. Although large-scale, comprehensive alternative rural development was supposed to accompany eradication, it has been extraordinarily slow to begin.

In the summer of 2004, under growing criticism from the international community, nongovernmental organizations (NGOs), and Sen. John F. Kerry (D-Mass.) during the U.S. presidential election campaign, the Bush administration began reevaluating the counternarcotics policy in Afghanistan. U.S. officials spoke increasingly of the need to make speedy progress on large-scale eradication and faulted both Karzai and the British for the failure to eradicate more acres of poppy. The United States has steadily increased pressure on Karzai to destroy the poppy fields. Moreover, in March 2005 the Pentagon issued new directives under which U.S. forces in Afghanistan will assist in drug interdiction operations. However, both eradication and interdiction, the standard counternarcotics strategies, are extremely problematic in Afghanistan, as is a third possible strategy: offering amnesty to drug traffickers. As a fourth strategy that is necessary but difficult, alternative development efforts are woefully lacking.
Eradication: The Wrong War

Eradication, traditionally the U.S. government’s preferred counternarcotics policy, seeks to disrupt the drug trade by destroying the illicit crops. It is predicated on the belief that, if peasants face the destruction of their crops, they will have greater incentive to abandon their illicit cultivation and grow legal products. The traffickers will not have any drugs to transport, and pernicious belligerent actors such as terrorists and warlords will not be able to make any money on the drug trade, thereby severely diminishing their financial resources, if not bankruptcy them. Despite efforts by Washington and Kabul to persuade local Islamic clerics to issue a fatwa against drug production, eradication remains an unpopular counternarcotics strategy in Afghanistan. This is hardly surprising, given that eradication frequently deprives populations of their sole source of livelihood. The inability of peasants to repay their creditors as a result of eradication only drives them deeper into debt, pushing them to grow even more poppy in the subsequent year. This is exactly what happened in the few regions where drug eradication was carried out in Afghanistan in 2003 and 2004. If farmers fail to repay their debt, they frequently end up in a form of serf labor, growing poppy on their moneylender’s land. Some are forced to flee to Pakistan, where they may end up in the radical madrasas of the Deobandi movement, whose harsh interpretation of Islam and strong anti-U.S. stance became the primary ideological and religious influence on the Taliban. Pakistani and Afghan students indoctrinated in these schools during the 1980s and 1990s provided a large portion of the Taliban’s fighters, and current students appear to be restocking the ranks of Taliban remnants today.

Eradication drives the local population into the hands of regional warlords, even if they now call themselves politicians or have secure government jobs, strengthening the centrifugal forces that historically have weakened Afghanistan as a state. Local warlords can capitalize on popular discontent with eradication by claiming something such as “the evil Karzai government, having sold out to the foreign infidels, is impoverishing the rural people and forcing them into semi-slavery.” Predictably, the Afghan government eradication teams that actually attempted to carry out their orders, rather than simply accepting bribes, have frequently met with armed resistance from peasants, even in the restricted and relatively safe areas where they have been deployed. Although the new Pentagon policy of supporting counternarcotics operations is meant to avoid alienating the local population by not involving the U.S. military directly in eradication, it will put U.S. soldiers in the position of fighting against local peasants who violently resist counternarcotics operations. The favorable image of the U.S. military in Afghanistan will be destroyed if U.S. soldiers are forced to return fire at a mob
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of armed, angry villagers. Wider cooperation and intelligence provision will fall apart rapidly.

Aerial eradication, for example, with a fungus, would somewhat reduce the physical danger faced by eradication teams. Yet, spraying, which is always extremely unpopular among populations in drug-producing countries, would further alienate the Afghan people and invite local strongmen to start shooting at eradication planes. U.S. soldiers protecting the spraying planes would once again be placed in danger and enmeshed deeper in armed confrontations with local populations, delegitimizing the U.S. presence. Even if a private contractor such as Dyncorp, which has experience spraying in Colombia, carried out such an operation secretly and both the Kabul government and the international community denied any knowledge or authorization, the United States, which controls Afghanistan’s air space, would inevitably receive the blame as a bully sentencing poor Afghan Muslims to starvation, and Karzai’s government would face discredit as an impotent U.S. stooge.

The amnesty for the Taliban announced by the U.S. and Afghan governments in January 2005 will further complicate eradication efforts. The Taliban activists returning to their villages will remind the population of the “good times” before 2000 when the Taliban sponsored the illicit economy and poppies bloomed unharmed. The Taliban can thus exploit the popular frustration with eradication and agitate against the Karzai government and the United States. Moreover, any unequal enforcement of eradication, which could result from varying levels of security in different regions, will result in the perception of ethnic and tribal favoritism, augmenting ethnic divisions. The northern non-Pashtun provinces, for example, already have complained that they bear the brunt of eradication while their Pashtun counterparts were let off easy. Whether such claims are accurate does not matter to those ethnic political entrepreneurs that seek to exploit tribal and ethnic divisions and insecurities. Conversely, the relationship between ethnicity and counterdrug measures is acutely uncomfortable for Karzai, whose victory in the presidential elections depended on the support of his fellow Pashtuns. Any effective crackdown against poppy cultivation will have to take place in the Pashtun Helmand region, thus alienating his very support base.

Still, the criticism the United States levied against Karzai just before his May 2005 visit to Washington was unfounded. In a memo sent from the U.S.
embassy in Kabul in advance of Karzai’s visit and leaked to the press, embassy officials criticized Karzai for being “unwilling to assert strong leadership” in eradication and doing little to overcome the resistance of “provincial officials and village elders [who] had impeded destruction of significant poppy acreage.” The memo also criticized Karzai for being unwilling to insist on eradication “even in his own province of Kandahar.” In fact, despite the political repercussions for his government, Karzai has been rather compliant with the U.S. demand to undertake eradication. To satisfy international pressure, however, he has unwisely been promising unrealistic outcomes, including the eradication of all poppy fields in two years. The United States cannot be blind to the political realities in Afghanistan: in the absence of large-scale rural development, eradication is politically explosive. Strong-fisted measures to suppress the peasant resistance will further fuel unrest. Such actions will undermine Karzai’s government as well as Afghanistan’s process of stabilization and democratization.

Compensated eradication, as it has been applied in the past, is also not a viable solution. Recognizing the significant negative repercussions of eradication on the livelihood of the population and the resistance it generates, compensated eradication schemes seek to mitigate these problems by providing peasants with some monetary compensation for the losses incurred from the destruction of their illicit crops. First, even when actually delivered and not simply promised, such financial compensation has always been a small, one-time payment that requires peasants to forgo large, long-term profits. Moreover, much of the money dispensed by the British in their 2002–2003 compensated eradication scheme in Afghanistan ended up in the hands of regional strongmen, while many of the peasants who agreed to eradicate their plots never saw any money. Yet, even if corruption were eliminated from the process, the traffickers could still retaliate by simply outbidding the government’s compensation for next year’s crops—the international community is unlikely to be willing to devote escalating sums of money to outbid local druglords to continue buying opium from the peasants for many years. In sum, eradication is rarely successful in significantly limiting drug production for a sustained period of time and is tremendously politically destabilizing and explosive.

**Interdiction: Undermining Counterterrorism**

Interdiction, lab busting, and the prosecution of traffickers carry fewer negative consequences than eradication, as they do not directly harm the local
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population. Nevertheless, interdiction and lab busting are problematic in Afghanistan. First, in the absence of larger economic development, interdiction, like eradication, is only marginally effective in reducing drug production. The adaptability of traffickers, coupled with the vast territory and difficult terrain in which interdiction teams must operate, make it very difficult to catch any substantial portion of drugs.

A complicating factor in Afghanistan is the counterterrorism/counterinsurgency objectives of the U.S. and Afghan governments. Both counterterrorism and counterinsurgency efforts require good, local human intelligence. The local warlords are unlikely to provide such intelligence to those who are destroying their business. This was one reason why the U.S. military had been only a reluctant participant in counternarcotics operations in Afghanistan until 2004 and why, for several years after the fall of the Taliban, it failed to destroy many of the heroin labs and stashes it uncovered. For example, a prominent warlord and the chief of police in Jalalabad, Hazrat Ali, despite being a key drug trafficker, was on the U.S. military’s payroll after the September 11 attacks to help fight Al Qaeda. Ali’s cooperation facilitated U.S. troop operations in the area under his control. As Major James Hawver, a reservist in Jalalabad in 2002, commented, “He was sort of our benefactor. He let it be known that if anybody messed with us, he’d deal with them.” Although interdiction tends to be a much more sensible counternarcotics policy in the context of active insurgency and has worked well, for example, in Peru, it has been a problematic strategy in Afghanistan because of the nature of U.S. counterterrorism and counterinsurgency policy there. Unlike eradication, interdiction does not alienate the overall population and hence feed insurgency and terrorism by losing the hearts and minds of the people, but it alienates the local strongmen on whom the United States has come to rely for intelligence and support for anti–Al Qaeda and anti-Taliban operations. If the United States ended this reliance, it could undertake serious interdiction efforts.

**Drug Amnesty: Destabilizing When Mixed with Eradication**

Given the problematic, politically sensitive nature of catching the traffickers, many of whom are regional warlords and officials at different levels of government, and given the Afghan state’s fundamental inability to capture and prosecute traffickers, offering them amnesty could begin to alleviate this dilemma. Because catching the trafficking warlords alienates them and compromises both intelligence gathering and political stability, perhaps the traffickers could be brought in from the cold by giving them conditional amnesty. The Karzai government has in fact been discussing pardoning those traffickers who come clean and invest their profits in local development.
Yet, unfortunately even this approach has its problems. The regional warlords cum politicians, governors, and police chiefs as well as other traffickers have been investing their illicit money from drugs and other illegal smuggling in local development since the 1980s, generating political legitimacy in the process. It is no accident that Herat, a region through which much of the contraband headed for Iran and beyond passes, has been a thriving province. The money from the traffic helped this region’s relative economic development while other parts of Afghanistan remained destitute. Providing amnesty would strengthen the warlords’ power while allowing them to buy their way into the political system. Questions about the legitimacy of the political process and basic justice would emerge. Moreover, the Karzai government lacks the capacity to punish those who would violate such an agreement and secretly (or not so secretly) continue profiting from drugs. A widespread failure to punish violators would undermine the entire scheme as well as Karzai’s future credibility to get tough with the traffickers.

Much more importantly, however, such amnesty would be a moral and political disaster if accompanied by eradication. The local strongmen making large profits from drugs would be pardoned while the poor peasants who can barely make ends meet would face prosecution. The result is a prescription for violence. Civil unrest in Bolivia and Peru during their eradication efforts in recent years may well be a preview for Afghanistan, but in Afghanistan, many more citizens are armed. Such amnesty could make sense if eradication were suspended until the government developed the capacity to put down renegade warlords and uprisings and until genuine, large-scale economic development alternatives, not futile schemes to grow pomegranates, became available to the rural population. If political pressure prevents such an approach and the eradication policy continues, Afghanistan’s stability, as well as basic justice, would be jeopardized by an amnesty.

**Alternative Development: A Necessary but Rarely Successful Strategy**

Alternative development is meant to reduce drug production by offering economic alternatives to a rural population otherwise dependent on growing drugs to make ends meet. Comprehensive alternative development is a requirement for the success of any durable strategy to reduce the production of illicit crops and to diminish the size and scope of the benefits belligerent groups derive from illicit economies. Alternative development cannot mean
only crop substitution, such as encouraging Afghan peasants to grow saffron or pomegranates. Even though these crops may be lucrative, price profitability is only one factor driving the cultivation of illicit crops. Other structural economic conditions, such as the state of infrastructure, market instability, and availability of credit, play crucial roles. For alternative development to succeed, it must encompass building infrastructure, distributing new technologies such as fertilizers and better seeds, marketing assistance to help the rural population sell their products on domestic or international markets, and developing local microcredit, to name a few of the most elementary components. In other words, alternative development really is comprehensive rural development.

Yet, even policies that attempt to mitigate some of the structural drivers do not necessarily immediately result in a decrease in the drug trade. Improvements in infrastructure, for example, although crucial for any development, actually help traffickers whose transaction costs fall as they are able to transport drugs faster. Thus, Afghan drug traffickers heartily welcomed the rebuilding of the Ring Road, the main circular artery connecting Kabul, Kandahar, Herat, and Mazar-i-Sharif and the pride of U.S. reconstruction efforts in Afghanistan.

Although essential, alternative development is a long-term process that has rarely been successful in improving rural conditions to the point of substantially reducing a country’s drug cultivation. A key problem with many alternative development schemes around the world has been their limited and very short-term nature. Thailand is one place where investments in alternative rural development over three decades resulted in a significant decrease of opiate cultivation, although traffic in opiates and synthetic drugs continue. Afghanistan's current drug problem, however, is of far greater magnitude than that of Thailand, Peru, or Colombia. Apart from requiring substantial funding over many years, one crucial condition for the large-scale success of alternative development is a stable security situation. The government must disarm warlords and insurgents, either by defeating them or integrating them into the political process, and the state must be present in rural areas to provide both security and social services.

The Necessity of State Building

Unfortunately, in the context of Afghanistan’s counterterrorism, stabilization, and democratization efforts, the narcotics problem today has no rapidly effective policy solution. After the fall of the Taliban, the United States deployed a minimum number of troops to Afghanistan for postconflict peacekeeping in order to preserve troops for the war against Iraq, undermining re-
construction and counternarcotics efforts. Postconflict Afghanistan had the lowest ratio of international peacekeeping troops to population as well as to the area of territory compared to other postconflict regions, despite the presence of many heavily armed warlords and a vast amount of small arms floating among the population.37 Despite the success of Afghanistan’s October 2004 presidential election, the central government is still weak and absent from large swaths of its territory. Had the United States deployed a much larger number of troops in Afghanistan, it would not have needed to rely on local warlords to help capture Al Qaeda and Taliban fighters to such a large extent. Washington could have helped Kabul subjugate the warlords early on, leaving both the Kabul government and the international community much better equipped to undertake comprehensive counternarcotics policies, including eradication.

Under today’s circumstances, U.S. counternarcotics policy options are highly contingent on U.S. counterterrorism and stabilization efforts. As long as the United States continues to rely on warlords enmeshed in the drug trade to provide intelligence on Al Qaeda and Taliban members who choose not to take advantage of the amnesty offer, it should not urge eradication. The Afghan government should halt eradication until the entire country’s security situation is stable. Interdiction should be left to Afghan counternarcotics units, even though their capabilities are limited. The new Afghan counternarcotics units’ small numbers, frequently inadequate equipment, and lack of training make it inevitable that they will be able to interdict only a limited number of shipments and destroy only a limited number of heroin labs. Although government officials claim that narcotics are impeding the development of the Afghan state, that diagnosis actually confuses the symptom and the cure: state building must come before the narcotics epidemic can be controlled. Counternarcotics efforts should concentrate on strengthening the Afghan state’s capacity, through its own military and police, to subdue any uprisings and renegade warlords, enforce prohibition of drug processing and trafficking, and promote judicial capacity to indict and prosecute traffickers. A cornerstone of the counternarcotics effort should be speeding up economic reconstruction efforts, especially rural development. Swift progress on introducing an alternative microcredit system through local banks, NGOs, or charities throughout Afghanistan would help mitigate some of the crucial drivers of poppy cultivation.

The United States should also insist that only drug-free politicians participate in the legitimate political process, at least at the national level. Even if this policy will be impossible to enforce in the short term, given the pervasiveness of drug-related corruption and the weakness of the Afghan state, such a policy, whether publicly announced or not, helps prevent the
emergence of a culture of complete impunity for such drug-related criminal behavior. The policies described above cannot be expected to bring immediate visible improvement to the narcotics situation, but they do hold the possibility of long-term progress and do not threaten to destabilize the Karzai government.

When the United States concludes that it no longer needs the Afghan warlords for effective counterterrorism operations in Afghanistan, it should then support Afghan units in interdiction and lab busting. In fact, the new Pentagon mission directives of March 2005, coupled with the recent offer of amnesty for the Taliban, indicate that U.S. policy has already shifted in this direction. The Taliban’s renewed insurgency activity, seeking at a minimum to frustrate the September 2005 parliamentary elections, may once again increase the importance of warlord-generated intelligence and would complicate drug interdiction, as local actors will be reluctant to provide such intelligence to those who threaten their drug business. Meanwhile, disarmament of warlords and their militias must proceed swiftly and must occur not only at the unit level with a focus on heavy weapons, but also by disarming individual militia members and confiscating small arms. Only after the state has removed the warlords and militias, gained effective control throughout Afghanistan’s territory, and secured the ability to put down popular unrest or uprising by a renegade warlord should Afghan or international forces undertake large-scale eradication. Of course, even then, eradication will only be effective if reconstruction has provided enough economic alternatives for the population.

Finally, the Karzai government and the international community should begin exploring the possibility of legalizing Afghanistan’s opium production for pharmaceutical purposes, namely the production of morphine, codeine, and thebaine. Although this policy has been tremendously successful in Turkey, the Afghan case would pose difficult obstacles. Diversion of licit opium into illegal traffic would loom paramount, especially under weak security conditions. Moreover, the International Narcotics Control Board that regulates the licit cultivation of opium requires good government control over production and the prevention of diversion as necessary preconditions. Kabul would also likely face resistance from Turkey, India, and Australia, whose market for licit opiates would be threatened by Afghanistan’s participation. With improvements in its security situation, however, Afghanistan

A stable security situation is a precondition for the success of alternative development.
could attempt at least some pilot projects. The international community could subsidize the distribution of available technologies that make diversion of opium gum into illicit production very difficult. Yet, even if some illicit activity took place, partial diversion would still be better than the current 100 percent “diversion” for illicit uses.

Counternarcotics policymaking will have a profound effect on Afghanistan’s future. Dogmatic adherence to standard policies and strategies irrespective of local security and social conditions will likely heighten Afghanistan’s drug crisis and contribute to the state’s destabilization. Only patience, a careful calibration of traditional counternarcotics policies to the evolving local situation, and a steady commitment to alleviating Afghanistan’s poverty can result in a sustainable, long-term reduction of the illicit economy and curbing of the drug trade.

Notes


17. See, for example, Gabriela Tarazona-Sevillano with John B. Reuter, Sendero Luminoso and the Threat of Narcoterrorism (Washington, D.C.: CSIS, 1990); Angel Rabasa and Peter Chalk, Colombian Labyrinth: The Synergy of Drugs and Insurgency and Its Implications for Regional Stability (Santa Monica, Calif.: RAND, 2001).


19. Ibid.


23. McGirk, “Terrorism’s Harvest.”


