29 August 2005

TO: Addressees

FROM: Richard B. Scott, Helmand Consultant

SUBJECT: HELMAND FOLLOW UP XIV: A Time For Action Again...NOW

Opium poppy must not be allowed to return to central Helmand

The opium poppy and wheat planting season (the winter crops) is approaching rapidly. With the killing of project personnel this past May in Helmand, the successful Alternative Income Project (AIP) was closed down and few if any development activities are occurring in that most important region. Through the combined efforts of AIP and local government, opium poppy cultivation was greatly reduced last year in central Helmand. Opium poppy cultivation must not be allowed to re-emerge on a grand scale in central Helmand through inaction as happened in the planting season of 2003. An integrated program of information, hand-labor infrastructure rehabilitation actions, and market supports must be initiated NOW. The farmers in central Helmand are actively assessing present markets, development activities, the political situation, and potential local government enforcement actions in making their decision about what crop to plant this coming planting season. Under present conditions, the current bazaar gossip reveals it is in the direction of planting opium poppy.

This memo will focus on the central Helmand region as did all the previous memos in this series since 2003 (which are available on request) because it represents the largest irrigation system in the country, more that 100,000 acres of irrigated land, farmed by some of the most innovative cash-crop, double-cropping farmers in the country. I have attached a more detailed statement on why focus on central Helmand. In the past opium producing years, this region produced an estimated 40% of Afghanistan's opium. Central Helmand is not a subsistence agricultural area dependent on opium but a cash-cropping area with well understood and established cash crops like cotton, peanuts, melons, vegetables and , of course, wheat of which they consistently produce a surplus. As the farmers will tell you, they do not need opium poppy but they will cultivate it and profit from it given the right circumstances. And the present circumstances in central Helmand are right for the re-emergence of opium poppy cultivation. Remedial action is needs to start immediately.

1. Information: A media blitz is needed to start on the local and national radio informing and warning the farmers not to plant poppy, that an eradication program will be initiated during planting season and after, like that of 2002 and 2004. The events of last year in Helmand and the greatly reduced cultivation of opium should be stressed. This would also include an announcement of the re-start of the infrastructure rehabilitation work using mostly hand labor. The media blitz for Helmand clearly would

not apply for most of the rest of the country. Agriculturally, central Helmand is not like most of the rest of Afghanistan.

The information program must also include face-to-face dialogue between the governor and other local government administrative and enforcement officials with the tribal leaders and other influential farmers and merchants who may also be involved with the opium marketing. There must be no doubts in the farmers' minds of the government's position and coming actions against opium poppy cultivation.

But words are cheap and the local government must be certain of support and the coming rehabilitation work. The assumption must not be that the local government will enforce the law when there is virtually no "law" in most of the rural areas. If the donors are not certain of starting the rehabilitation work along the lines of AIP, it would be best not to give the warnings and threats.

2. Infrastructure Rehabilitation: A series of relatively small but well publicized handlabor activities should be started in October/November. As in the past, the tribal leaders and influentials would be well informed of pending actions. The labor force could be maintained and managed with safety at some 3-5,000 men. The work would be focused on a wide range of targets in central Helmand including roads, bridges, the irrigation system and the drainage system which was not completed last year. Village schools would also be included since in some areas UNICEF built impressive concrete latrine structures but ignored the inadequate, falling-in school rooms without windows or doors. In January with the annual Boghra Canal maintenance shut-down, a relatively large labor force could productively work on some of the more silted areas, e.g., near Nakilabad. (There is no problem of identifying useful and very visible projects in this region).

This initial work would be focused on the most central areas of Nad-i-Ali, Marja and Shamalan with local government and tribal leaders' assurances of security. The actions would stay out of the more marginal areas, areas more distant from the provincial center and not on the main arteries of local traffic.

3. Market Support: In the past, the central Helmand farmers have frequently requested help with the cotton marketing, i.e., a better price for their cotton from the primary buyer - local government cotton gin. Apparently none of the donors have taken an interest in the government gins in hopes they will become privatized. But it is clear that the government cotton gins need help. While we await the capitalists' dream of privatizing government industry, why not help the marketing system in the name of a major anti-narcotics action? The farmers like cotton as a cash crop which they understand and have been producing commercially since at least the mid-1960s. The market is well established and understood at the government gin. But the farmers need a slightly better price for their cotton and the gin needs help with management.

Last year in Helmand at the beginning of the buying season, farmers appeared satisfied with the price of the cotton offered by the gin: 17 Afs per kilo. However, by mid-season the gin dropped the price to 14 Afs per kilo and post-delivery payments to farmers were

delayed by weeks. Needless to say, the farmers were dissatisfied with this situation and we might expect a reduction in cotton production as a result. This bad management also supports a potential shift into poppy this coming planting season, given the present political situation and reduced security. This year the price is said to be again 14 Afs per kilo. Central Helmand farmers are cash-crop farmers. They are businessmen, not gamblers and a stable and dependable market is crucial. For opium, the market is dependable and at least some of the farmers will receive partial payment for their crop from the buyers, as a system credit, at planting time. The cotton market should be allowed to compete to some degree with the opium market through good management, consistent policies and a reasonable price paid at the time of cotton delivery to the gin. Apparently, without outside pressure offering support and direction, the ministry is not able or willing to do this. Are any of the donors or projects involved with the management of the various government enterprises, including the cotton gins? Why not?

I understand that there is a wheat seed program being organized as part of the national anti-narcotics strategy. The program is to start in Badakshan where opium poppy has been grown since at least the early 1970s. At that time was reported to have had a growing rate of opium addiction. It is unlikely that things have changed Badakshan. The wheat seed will be given on credit through the indigenous political system or, in some cases, perhaps free. Badakshan is a relatively isolated, deep valley region with difficult access by road, limited agriculture resources but adequate water. Without opium it would probably be a subsistence agriculture region more suited for tourism than agriculture.

Wheat seed programs are difficult to manage under the best of conditions and commonly harm the local economy. When subsistence wheat agricultural areas have a crop failure, wheat seed programs for food and seed are useful. During the "green revolution" of the early 1970s in Afghanistan when MexiPak was first being introduced, a seed program was very effective. I am not familiar with the wheat markets for the Badakshan region but in central Helmand where they commonly produce a surplus of wheat, recent wheat seed programs have not been that effective or honest in management. Refugee feeding programs in the region have disrupted the wheat markets with amounts of wheat finding its way onto the open market, undercutting local farmers' sales. Central Helmand farmers would appreciate free wheat seed especially if it is a new highly productive variety. Some will have test plots, the way they have been doing with recent varieties coming in from Iran and Pakistan. Some will make it to the local market. Some will be eaten. Generally a wheat seed program in central Helmand would not be very useful in the context of the anti-opium campaign. There are more effective ways to spend the development/anti-opium funds and I have been outlining these ways since August 2003.

It is likely that re-starting the AIP or its follow-up project is being delayed in anticipation of negative events relating to the coming elections. It is unlikely that the violence in May was related to the elections. The violence was likely in response to a very successful project that was getting a lot of attention. The violence ended it. It is unlikely that the security situation will improve after the elections. There is no reason for the long delay in re-starting the AIP. However, at election time, the local security forces will be busy and on alert in response to the threats made to disrupt the elections which are near. And these

forces, the district commandants and their forces, should be the backbone of the security for the AIP work.

Plans should be made now to re-start AIP immediately after the elections. AIP should be one part of a broader integrated anti-opium campaign outlined briefly above and frequently in the past. It would include a broad-based information program, both radio (TV?) and face-to-face dialogue. AIP should have a broader scope of rehabilitation and development projects than in the past. The AIP work should begin in the central Helmand region, irrigated off the Boghra Canal. The unfinished drains in Nad-i-Ali would be a good start. The labor force could be up to 3-5,000 men in a matter of a couple of weeks. Security for the work force and management should be tight, using large numbers of provincial and district police and security forces. I would not involve the US military forces in the region as anything other than back-up. A pickup truck loaded with local young men with AK-47s and rocket launchers makes a less acceptable, less political target than an armored US Hummer. The campaign must include help, support and direction for the markets for present cash crops, especially cotton and the Lashkar Gah cotton gin. The government should be convinced to take a lower profit on the cotton they buy, to pay the farmers more and in a timely manner, to increase cotton production and eliminate opium production from this region at least.

Since the overthrow of the Taliban, there have been mixed signals, based on actions, from the government and the donors on the reconstruction effort and on opium cultivation. In 2000 the Taliban successfully banned the cultivation of opium. In 2001 as we took out the Taliban government, and the uncertainties of what the newly appointed government would or could do, opium made a comeback. In 2002 USAID and INL funded an irrigation rehabilitation program for central Helmand. In collaboration with the local government we started an anti-opium campaign along the lines of the campaign outlined above. The UN recorded an 85% drop in opium production in Nad-i-Ali in that one crop year. In 2003 there were funding delays and mix-ups that allowed the rehabilitation work to stop. None of the other elements of the 2002 campaign continued. A bumper crop year almost equal to the biggest opium crop year of 1999 was the result. In 2004, funding was resumed for the rehabilitation work on the central Helmand drainage system in collaboration with the local government that put another aggressive eradication effort in the field. I have not seen the figures from the UN but having monitored fall planting in areas that I have been monitoring since 1997, the reduction of poppy cultivation in central Helmand will be as dramatic as in 2002. Unfortunately the UN did not collect data by district in 2003 in Helmand, as they had done in the past, so it will not be possible to compare the opium cultivation changes for central Helmand between crop years 2003 and 2004 (harvested in the spring of 2005). The point is that since the Taliban and under the present government, the policies and actions related to opium production in central Helmand have been very inconsistent and suggest to the farmers that the government and donors do not understand what is needed to eradicate opium poppy cultivation or cannot get their act together with a consistent plan or policy... And they are right.

This year, this fall planting season must see a repeat of the anti-poppy campaign that was initiated last year, as outlined above and in all previous memos in this series since 2003. We must not let the anti-opium cultivation campaign lapse again this year due to security concerns and inertia. It will make our off-and-on pattern of action and inaction too consistent and re-enforce the doubts of the central Helmand farmers about the present government's (and our) capabilities and resolve relative to eradication of opium poppy cultivation in this, the largest irrigation system in the country. In the past, this region and its development was known as "Little America" because of our deep involvement and retains a strong identification with the U.S.

As in the past, I would be most interested in discussing these issues with anyone interested. What I have proposed, is possible and should be initiated NOW.

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