THE MORAL LIBERAL

Afghanistan as Narco-State: End The International Drug War

By Doug Bandow November 4, 2014

The U.S. government has failed to stop the drug trade at home. Washington also has not created a competent, effective, and honest central government in Afghanistan. How effective will Kabul be in limiting opium production when American troops go home?

Not much.

A new report from the Office of the Special Inspector General for Afghanistan Reconstruction reports that opium production last year was the highest ever, 209,000 hectares, up 36 percent from 2012. The average yield per hectare rose 11 percent over the preceding year. Potential production was up 49 percent. SIGAR observed that "opium poppy cultivation has far exceeded previous records. Affordable deep-well technology has turned 200,000 hectares of desert in southwestern Afghanistan into arable land over the past decade. Due to relatively high opium prices and the rise of an inexpensive, skilled, and mobile labor force, much of this newly-arable land is dedicated to opium cultivation.

Alas, the sky is the limit. SIGAR warned: "With deteriorating security in many parts of rural Afghanistan and low levels of eradication of poppy fields, further increases in cultivation are likely in 2014."

The total value of opium and related products was \$3 billion, up 50 percent over the year before. Drug money permeates the economy, enriching friend and foe alike. Last year the United Nations Office on Drugs and Crime estimated that opium exports accounted for 14 percent of the country's GDP. It's not just warlords who profit. UNODC figured that "On average, poppygrowing households in Afghanistan continue to have a higher cash income than non-poppygrowing households." Opium provides up to six times the net income of wheat, which has a similar growing season.

Unfortunately, the illicit trade has a significant negative impact. Explained SIGAR: "the narcotics trade poisons the Afghan financial sector and undermines the Afghan state's legitimacy by stoking corruption, sustaining criminal networks, and providing significant financial support for the Taliban and other insurgent groups." The Pentagon admitted that increased drug production frustrated U.S. efforts. The Afghan public is understandably cynical. When I visited the country Afghans called large homes behind high walls lining Kabul streets "poppy palaces."

Drug production exploded despite \$7.6 billion spent by Washington alone to stop cultivation and distribution. Virtually every U.S. agency is involved: Drug Enforcement Administration, Department of Defense, State Department, and Agency for International Development. The U.S. supported Afghan enforcement activities, funded alternative crops for Afghan farmers, and joined Afghan forces in anti-drug operations. All for naught.

Washington typically responded to past increases in poppy cultivation with bursts of activity, temporarily cutting production. But the most effective anti-drug campaign was crop disease. And supplies always rebounded. Unfortunately, noted SIGAR, "the recent record-high level of poppy cultivation calls into question the long-term effectiveness and sustainability of those prior efforts." Indeed.

The State Department's response to SIGAR was a marvel of delusion. Production "is only one indicator of counternarcotics progress." Programs to build the Afghans' counter-drug capacity remained "works in progress"—13 years after America entered the fray. But "we are making good progress in building the capability of our Afghan partners," even as cultivation surges. There have been successes, such as improved drug treatment, though admittedly there "is no silver bullet."

UNODC made a similar positive pitch in its report last December: "The Ministry of Counter Narcotics has moved quickly to advance policy and guidelines." Moreover, Kabul's anti-drug "institutions, also with the support of UNODC, have taken a significant step forward in terms of capacity and effectiveness," seizing more than "10 percent of domestic production," though, alas, "The number of arrest, prosecutions and convictions of powerful figures remains a concern."

This is the best case for years of expensive efforts? Even UNODC admitted that the Afghan State is beset by "fragmentation, conflict, patronage, corruption and impunity." DOD stated that "the failure to reduce poppy cultivation and increase eradication is due to the lack of Afghan government support for the effort."

Nevertheless, State argued that success would come when America's goals "are also Afghan counternarcotics goals. We look forward to the new Afghan government assuming a leadership role in this regard." UNODC spoke of Kabul making "some very serious choices about the future it desires," with the prospect of success depending on "an integrated, comprehensive response to the drug problem, embedded in a long-term security, development and institution-building agenda." No doubt. But how likely is that from a new government taking office amid allegations of fraud and facing foreign funding cutbacks and allied troop withdrawals?

Eradication was difficult enough when backed by a strong allied military presence. Wrote Vanda Felbab-Brown of the Brookings Institution, early programs were "manipulated by local Afghan strongmen to eliminate drug competition and ethnic/tribal rivals. Instead of targeting those at the top echelons of the drug economy, many of whom had considerable political clout, interdiction operations were largely conducted against small, vulnerable traders who could neither sufficiently bribe nor adequately intimidate the interdiction teams." As a result, "large traffickers with substantial political control consolidated their control over the drug industry."

Moreover, the eradication campaign, explained Felbab-Brown, "ignited violent strikes and social protests." Antagonistic "poppy farmers came to constitute a strong and key base of support for the Taliban, denying intelligence to the [allied forces] while providing it to the Taliban." This discontent enabled the Taliban to rebuild popular support by defending rural farmers. Said John Glaze, an Air Force Special Operations officer: "The aggressive pursuit of eradication has alienated many peasant farmers and resulted in some of them turning against U.S. and NATO forces." The Senlis Council's Emmanuel Reinert said eradication was "the single biggest reason" Afghans opposed allied forces.

Ironically, the Taliban was on the other side of the issue in 2001, having banned opium production. That effort angered the population and weakened support for the Taliban when the U.S. intervened.

Even UNODC and the World Bank admitted that counter-narcotics efforts "need to factor in the adverse side effects of interventions," including on governance. They noted that "While the drug industry itself constitutes a serious threat to the state-building agenda in Afghanistan, ill-considered counter-narcotics actions can be counterproductive in terms of governance, possibly exacerbating an already difficult situation."

Eradication efforts also inflated Taliban revenues. As economist Jeffrey Clemens pointed out, the counter-narcotics campaign both redirected opium production to Taliban-controlled areas and raised poppy prices. Thus, drug revenues actually rose where guerrillas ruled.

Drug money will become ever more important in government-controlled areas as international funding diminishes. Admitted Jean-Luc Lemahieu of UNODC, "Some money is available through the licit economy, but less than in the past as the Western contracts dry up, and so the importance of the illicit, informal economy will increase: human trafficking, gems, timber and weapons smuggling, and of course narcotics is a huge chunk of it." Afghans not only will have less money to devote to eradication programs, but have a greater need for opium revenues.

Operating on their own, the Afghan National Army and Afghan National Police will be hardpressed to fulfill their most important responsibility to sustain the Kabul government against the Taliban. Drug interdiction inevitably will be a secondary objective. The security forces already suffer from corruption and will be less inclined than foreigners to challenge drug traders who are co-nationals. For similar reasons Kabul's political leadership is unlikely to mount a determined and effective campaign.

But no strategy likely would succeed even in the best circumstances. As noted earlier, attempting to suppress drugs could lose the geopolitical war without winning the fight against poppies. The risks would be particularly great for a weakened Afghan government when the allies are unlikely to return if things go badly.

Attempting to promote development seems more promising. However, few legal opportunities are better than poppy production. Moreover, economic development remains extremely complicated even in the best of circumstances. The globe is littered with the remains of failed aid

projects. So far foreign assistance has had only limited success in Afghanistan, other than in fueling corruption.

Another approach is to reduce demand for drugs in Western societies to discourage production in Afghanistan. Alas, use of mind-altering drugs goes back thousands of years. UNODC estimates that as many as 315 million people worldwide consume illicit substances annually. Only the most draconian enforcement has much effect on people's willingness to use drugs. But most Western societies are moving in the opposite direction, choosing liberty over paternalism. Even the U.S. is abandoning strict prohibition.

In short, demand for opiates and cannabis will continue unabated. As a result, the international drug trade will continue to flourish. Admitted the State Department: "The drug trade has access to almost unimaginable quantities of" of money. Indeed, "no commodity is so widely available, so cheap to produce, and as easily renewable as illegal drugs. They offer dazzling profit margins that allow criminals to generate illicit revenues on a scale without historical precedent."

The West must set priorities in Afghanistan. Most important are preventing a terrorist resurgence and encouraging the survival of whatever liberal impulses exist. Attempting to eradicate poppy production, reducing the elite's wealth and damaging the population's livelihood, is almost guaranteed to lose the battle for hearts and minds.

Instead, allied policymakers should consider strategies to drain money and profit from the drug trade. The basic problem, noted Barnett Rubin with the Center on International Cooperation, is that "The international drug-control regime does not reduce drug use, but it does, by criminalizing narcotics, produce huge profits for criminals and the armed groups and corrupt officials who protect them." Western governments should scale back the drug war. Afghanistan could be allowed to produce opium for the legal morphine market. Ultimately the entire market should be legalized or at least decriminalized for adults. The focus should be on harm reduction. Only this strategy would reduce the incentives which have turned Afghanistan into the world's chief opium supplier.

Indeed, frustration with years of militarized eradication efforts, some in the midst of insurgencies akin to that in Afghanistan, has generated significant support in Latin America for change. Observed the 2006 Latin American Commission on Drugs and Democracy, "Prohibitionist policies based on the eradication of production and the disruption of drug flows as well as on the criminalization of consumption have not yielded the expected results. We are further than ever from the announced goal of eradicating drugs." Several governments in the region are moving toward legalization, decriminalization, or less strict enforcement.

Afghanistan is merely one front in a global drug war. Even Western nations have suffered from corruption and violence as a result of the drug trade. Kabul is far more vulnerable, with a weak, divided, and underfunded government facing a persistent insurgency. There are no good solutions. But Afghanistan and its Western-backers should recognize reality and abandon the futile and counterproductive campaign against the opium trade.

Doug Bandow is a senior fellow at the Cato Institute and the author of a number of books on economics and politics.