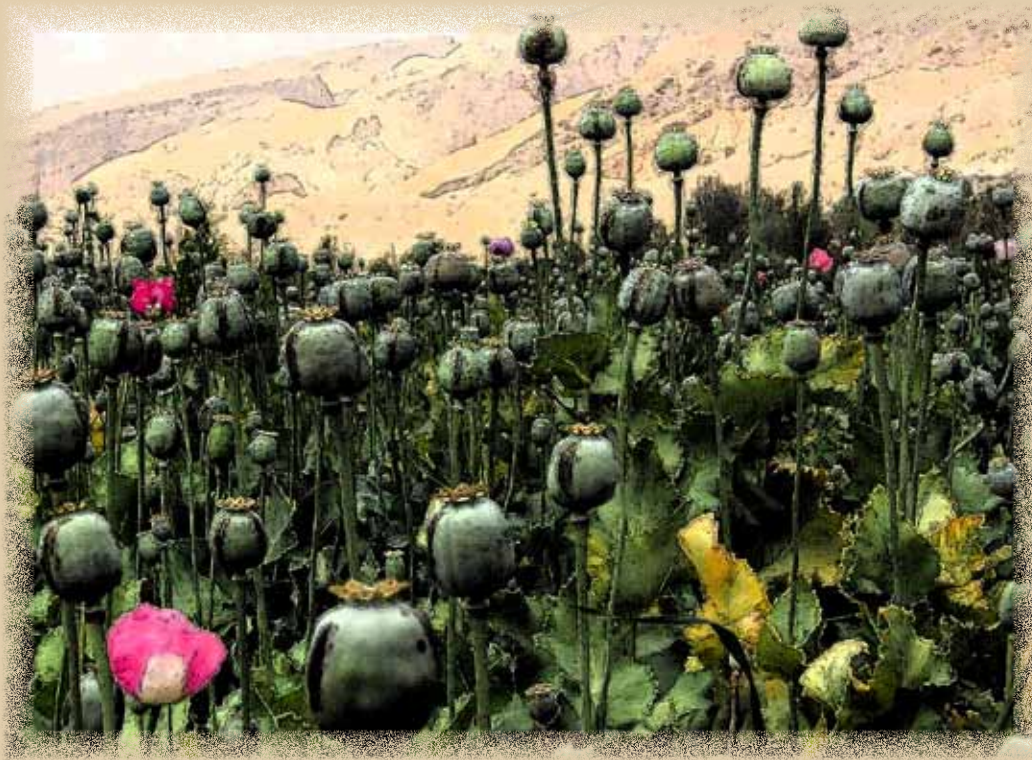


# **The Narcotics Emirate of Afghanistan: Armed Polities and Their Roles in Illicit Drug Production and Conflict 1980–2010**



by  
Matthew C. DuPée  
December 2010



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**NAVAL  
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**MONTEREY, CALIFORNIA**

**THESIS**

**THE NARCOTICS EMIRATE OF AFGHANISTAN:  
ARMED POLITIES AND THEIR ROLES  
IN ILLICIT DRUG PRODUCTION AND  
CONFLICT 1980–2010**

by

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December 2010

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POLITIES AND THEIR ROLES IN ILLICIT DRUG PRODUCTION AND  
CONFLICT IN AFGHANISTAN 1980–2010**

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Submitted in partial fulfillment of the  
requirements for the degree of

**MASTER OF ARTS IN SECURITY STUDIES  
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## **ABSTRACT**

The production of illicit narcotics in low-intensity conflict environments remains a serious concern for U.S. policymakers. Afghanistan is a solid example where the intersection of crime, narcotics production and insurgency has successfully thwarted U.S. stabilization and security efforts despite a 10-year military engagement there. This study seeks to examine the role of crime better, particularly narcotics related criminal enterprise, and its effect on the Taliban-led insurgency in Afghanistan. This study explores political, economic and conflict related factors that facilitate the narcotics industry and forges cooperation between drug trafficking organizations and insurgent movements. A key argument of this study is that nontraditional participants in narcotics production, such as insurgent groups or state representatives and institutions, acquire more than just profit and resources. Participants stand to gain political leverage, the social and political legitimacy derived from “protecting” the livelihoods of rural farmers, as well as “freedom of action,” the ability to operate unimpeded within a given territory or space because of public support. This study also suggests that one additional factor, social control, is a key motivator for an actor’s participation in the narcotics industry.

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## LIST OF ACRONYMS AND ABBREVIATIONS

ABP	Afghan Border Police
AIA	Afghan Interim Administration
ANP	Afghan National Police
ANA	Afghan National Army
CIA	Central Intelligence Agency
CTC	Counterterrorism Center CTC
DEA	Drug Enforcement Agency
DRA	Democratic Republic of Afghanistan
ELN	National Liberation Army
FARC	<i>Fuerzas Armadas Revolucionarias Colombia</i>
IED	Improvised Explosive Device
INCB	International Narcotics Control Board
ISAF	International Security Assistance Force
MANPADS	Man-portable air defense systems
M-19	<i>Movimiento 19 Abril</i>
NATO	North American Treaty Organization
PEF	Poppy Eradication Force
PFPL-P	Popular Front for the Liberation of Palestine
PLO	Palestinian Liberation Organization
TCO	Transnational criminal organizations
UNDCP	United Nations Drug Control Programme
UNODC	United Nations Office on Drugs and Crime

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## I. INTRODUCTION

At the crest of the 21st century, Afghan society finds itself in a profound socio-economic crisis in which the illegal drug trade and insurgency plays a very complex and important role. According to the United Nations Office on Drugs and Crime (UNODC), the global dynamics of the illicit opiates market “are not well understood,” the same can be said of the internal dynamics of Afghanistan’s narcotics industry.<sup>1</sup> Despite the presence of international forces in Afghanistan since the end of 2001, Afghanistan has continued to produce unprecedented amounts of illicit opium, the lead ingredient in heroin, making Afghanistan the world’s largest producer of illicit opiates (over 90% of the illicit global demand) for the past eight years in a row. All the attention given to Afghanistan’s poppy problem, however, obscures the problems caused by another illicit crop: cannabis. The first UNODC Afghan Cannabis Survey published in 2010 confirmed suspicions that Afghanistan is now the world’s largest producer of cannabis resin, better known as *hashish*, accounting for approximately 1,500 to 3,500 metric tons of resin in 2009 alone.<sup>2</sup>

This study seeks to examine the role of crime better, particularly narcotics related criminal enterprise, and its effect on the Taliban-led insurgency. Vast amounts of evidence reveal how the Taliban, other non-state actors, and state-actors are indeed enmeshed with the narcotics industry; a subject this study thoroughly presents and examines. However, it should be noted that the Taliban also engage in other criminal activities, such as extortion, kidnapping for ransom and robbery to help bolster the movement’s war chest.<sup>3</sup> Overall, few studies adequately explain how and why the

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<sup>1</sup> United Nations Office on Drugs and Crime (UNODC), World Drug Report, 2007, 37.

<sup>2</sup> UNODC, Afghanistan Cannabis Survey 2009, April 2010. It is pertinent to note that cannabis resin is different from the far more common “cannabis weed” of which Mexico, Colombia and the United States are top producers. Cannabis weed is grown for its flowers, leaves and stems, which are all harvested and processed for consumption while cannabis resin is specifically cultivated and processed for the concentrate of tiny trichomes or resin glands found on the cannabis plant’s flowers; although lower grades of hashish will incorporate most of the dried organic plant matter along with the resin (leaves, stems, etc.).

<sup>3</sup> UNODC, “Addiction, Crime, and Insurgency: The Transnational Threat of Afghan Opium,” (October 2009), 102; Michael J. Carden, “Narcotics Trade Fuels Afghanistan Insurgency, Mullen Says,” *American Forces Press Service*, September 19, 2008.

Taliban, a puritanical Islamist movement, came to participate in, and protect the narcotics industry, let alone what affect this participation has had, if any, on its group ideology and objectives. Additionally, it is pertinent to note that the current literature on the Afghan drug trade rarely examines a potential larger issue—the political economy of the “drug-insurgent nexus” and its penetration of the Afghan state; hence creating the “crime-state nexus.”<sup>4</sup> By examining the Taliban’s participation and benefit of the drug trade, this study also includes the conditional effects on other participants, including drug cultivators (i.e., farmers), warlord organizations, criminal syndicates and state powers/institutions. This analysis helps answer the main research question of this study: why does the Taliban participate in the narcotics industry and how does this affect its group ideology and aims? Additionally, what factors or criteria warrant closer cooperation points between politically/ideologically motivated armed groups like the Taliban and criminal networks, such as drug trafficking groups?

In short, to best understand why the Taliban participates in the narcotics industry and what effect narcotics production and trade has on the Taliban’s objectives and ideology, four types of armed polities most consistently altering Afghanistan’s political landscape, and those *most* associated with the drug trade between 1980 and 2010, must be identified and analyzed. These four entities can be broken down as insurgent movements, warlord organizations, syndicates/consortia, and the state-level power holders (Table 1).<sup>5</sup> As Williams notes, it is these “non-state actors [that] can have more legitimacy among the general population than the state, a legitimacy that stems from tradition, cultural norms, and informal political processes that work.”<sup>6</sup> Arguably, the Taliban movement is best understood as a manifestation from the Soviet-Afghan conflict and consists of elements from the four types of armed polities examined in this study. By breaking down

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<sup>4</sup> “Crime-State nexus” coined in Svante E. Cornell, “The Narcotics Threat in Greater Central Asia: From Crime-Terror Nexus to State Infiltration?” *China and Eurasia Quarterly*, 4, no. 1 (2006) 37–67.

<sup>5</sup> Framework inspired by Jon A. Winat, “Narcotics in the Golden Triangle,” *Washington Quarterly*, Fall 1985.

<sup>6</sup> Phil Williams, “Here Be Dragons,” in *Ungoverned Spaces: Alternatives to State Authority in an Era of Softened Sovereignty*, ed. Anne Clunan and Harold Trinkunas (Stanford, CA: Stanford University Press, 2010), 43.

the unit of analysis to the above-mentioned group of four armed polities, a more holistic and richer contextualization of the Taliban movement can be derived rather than treating the Taliban movement as a monolithic entity.

Combined, the drug-insurgent and crime-state nexus represents one of the most significant threats to Afghanistan's sovereignty, and if left unchallenged, the increasing merger between criminal organizations with insurgent/terrorist groups could succeed in carving out their own semiautonomous territory in southern Afghanistan (Helmand-Kandahar-Uruzgan provinces), hence making it a "virtual state."<sup>7</sup> The definition of a virtual state in this context is similar to Robb's criterion, which identifies a developed economy that thrives on the flow of illicit goods, services, people, resources, and ideas made possible by the lack of state control.<sup>8</sup> In sum, it is the violence associated with the narcotics industry, and the byproduct of this violence—territorial control and defacto political control—that seems to drive the motivation for these groups. This criterion is what fuels small, private, criminal no state actors that pose the greatest challenge to state building initiatives, such as democracy, stability, security and sovereignty.<sup>9</sup>

#### **A. RESEARCH QUESTION AND IMPORTANCE**

The problem of illicit poppy cultivation and narcotics processing in Afghanistan has plagued the region for decades, but only recently has the problem soared to unprecedented levels. Existing literature contends the mere presence of a drug economy alone does not cause the emergence of a terrorist or insurgent group, nor does it correlate to the initiation of conflict; however, it does strengthen the capabilities of preexisting insurgent forces or other hostile non-state entities.<sup>10</sup> This invariably begs the question:

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<sup>7</sup> Robert J. Bunker, ed., *Criminal-States and Criminal-Soldiers* (New York: Routledge, 2008), 30–31.

<sup>8</sup> John Robb, "Nation-States, Market-states, and Virtual-states," in *Criminal-States and Criminal-Soldiers*, ed. Robert J. Bunker (New York: Routledge, 2008), 30–31.

<sup>9</sup> Max G. Manwaring, "A New Dynamic in the Western Hemisphere Security Environment: The Mexican Zetas and Other Private Armies," *Strategic Studies Institute*, September 2009, 13.

<sup>10</sup> Vanda Felbab-Brown, "The Intersection of Terrorism and the Drug Trade," in *The Making of a Terrorist: Recruitment, Training, and Root Causes*, vol. III, ed. James J. F. Forest (Westport, CT: Praeger Security International, 2006), 174; Svante E. Cornell, "Narcotics and Armed Conflict: Interaction and Implications," *Studies in Conflict & Terrorism* 30 (2007): 207–227.

why does the Taliban participate in the narcotics industry and how does this affect its group ideology and aims? What factors or criteria warrant closer cooperation points between politically/ideologically motivated armed groups like the Taliban and criminal networks, such as drug trafficking groups? These questions in turn represent the explicit research questions of this thesis.

A key argument of this study is that nontraditional participants in narcotics production, such as insurgent groups or state representatives and institutions, acquire more than just profit and resources. Participants stand to gain political leverage, what Brown defines as “political capital,” the social and political legitimacy derived from “protecting” the livelihoods of rural farmers, as well as “freedom of action;” the ability to operate unimpeded within a given territory or space because of public support.<sup>11</sup> This study also suggests that one additional factor, social control, is a key motivator for an actor’s participation in the narcotics industry. The strong patron-client relationships established through the Soviet-Afghan war and subsequent socio-economic and political crisis during the civil war (1992–2001) amplified this factor as powerful militia commanders, warlords, and criminal syndicate bosses consolidated their grip over farmers, processors and trafficking groups in often contested territories. Importantly, no single group ever controlled or monopolized the narcotics industry, preventing a vertical integration model similar to the cartels established in South America and to a lesser degree in Mexico. Instead, a series of transaction networks, or brokerages, emerged, creating a criminal-business phenomenon that transcended ethnic, tribal, political, and religious lines. These micro-organizations operate within small spheres of influence, in fiercely defended territories, but whose products are easily trafficked, protected and sold to various stakeholders and powerbrokers, many of whom are often sworn enemies or ethnic, tribal, political and business rivals.

The production of illicit narcotics in low-intensity conflict environments remains a serious concern for U.S. policymakers, whether it is in South America where nearly all of the world’s illicit supply of cocaine originates; in Mexico, which not only shares a

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<sup>11</sup> Vanda Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs* (Washington, D.C.: Brookings Institute Press: 2009).

strategic frontier with America but also serves as the main conduit of illicit drugs entering the United States; or Southwest Asia where American and NATO forces are entering their tenth-year of intervention in Afghanistan—the world’s largest producer of opium and hashish.

The murky intersection of crime, narcotics production and insurgency is a difficult problem-set altogether, plaguing policymakers with complicated and often counterproductive strategies from which to choose. For example, forced eradication measures, a key pillar of the U.S. law enforcement counternarcotics strategy, directly contradicts U.S. military counterinsurgency strategies that aim to win the hearts and minds of locals. The forced eradication operations in Afghanistan, conducted and financed by the U.S. State Department between 2004 and 2009, destroyed local economies and pushed many farmers into the hands of the Taliban that offered to protect the farmers and their crops against government eradication efforts. In turn, the Taliban reaped the whirlwind of the program’s failure and created numerous safe havens and sanctuaries throughout the “poppy-belt” of southern Afghanistan while making exuberant sums from charging protection fees to traffickers, processors and farmers. Much attention has been placed on Afghanistan’s drug-insurgent nexus beginning in 2009. Although a step in the right direction, these analyses are narrowly focused and rarely include a possible more dangerous relationship altogether—the narcotics penetration of the state and Afghanistan’s transformation into a criminal-state. This study is important because it can help inform policy makers on broader narco-insurgent conflicts that plague the international system. Equally, it brings attention to an important issue that would otherwise be avoided for political and organizational reasons.

## **B. HYPOTHESES**

Why does the Taliban participate in the narcotics industry and how does this participation affect its group ideology and aims? A key hypothesis this study tests is the assertion that if an armed political or ideological group participates in the narcotics industry, its group ideology and aims will change. This logic refines an inaccurate and oversimplified theory common among policy makers that if guerillas rely so heavily on

the drug trade, eliminating it will reduce their military and financial capabilities to the point of making them vulnerable to defeat or encourage them to negotiate a political settlement to the current conflict.<sup>12</sup> In other words, “the end of drugs would mean the end of the armed conflict, and the end of the conflict would bring the end to the drug business.”<sup>13</sup>

Clearly, it becomes pertinent to identify whether or not armed polities participating in the drug industry are indeed drug cartels, or whether key differences exist between them (i.e., insurgent movements, versus criminal consortium, etc.). In the case of revolutionary or insurgent movements, measuring how and when group aims and objectives change in accordance with increased levels of narcotics participation becomes imperative.

Conventional wisdom suggests criminal organizations are purely driven by economic gains while insurgent/rebellion groups seek to govern, making each polity discreetly different. This study seeks to test this position, arguing that while insurgent groups may be motivated by political, religious and/or ideological factors, these groups can also be motivated by the same factors as criminal groups, such as monetary gain and prestige; a convergence of factors that leads to the protraction of conflict especially in conflict zones where an illicit drug industry is rampant.<sup>14</sup> To do so, the phrase “participating in the narcotics industry” must be broken down and well defined to help establish a tipping point that will help identify changes in group ideology and how observers will know it. A three-tier framework identifying key aspects of interaction with narcotics will be used to measure how armed political groups, such as the Taliban, participate in the narcotics trade, and how varying levels of interaction affect group cohesion and ideology (Figure 1).

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<sup>12</sup> This school of thought is also prevalent among decision makers involved in other drug producing conflict zones, such as Colombia.

<sup>13</sup> “War on Drugs in Colombia,” Latin America Report no. 11, *International Crisis Group*, January 27, 2005, 5.

<sup>14</sup> Jeni, “The Enduring Dichotomy: Insurgent or Criminal,” *Crime-Conflict Nexus*, May 2, 2009; Richani, *Systems of Violence: The Political Economy of War and Peace in Colombia* (Albany: State University of New York, 2002), 4.



Figure 1. Three Tier Framework Depicting Degrees of Armed Polities' Participation in the Narcotics Industry

This framework assumes the more involved an armed polity becomes with the narcotics industry, the more important monetary gain, financial sustainability, and territorial and business control becomes for the group. One reason for this assumption is that by the time tier-three participation occurs, the amount of resources and logistics dedicated to maintaining this level of narcotics involvement leads to a higher reliance and interest in profiteering rather than ideological objectives. Secondly, over time and given certain political and military outcomes, armed polities may become increasingly involved in the drug trade (tier one to tier two and three) but rarely will a group move backwards from tier three participation to a tier one level of acceptance and taxation. Third, once an armed polity establishes international distribution interests and relationships with transnational criminal organizations, their political legitimacy is not only threatened, but group cohesion, ideology, and political objectives become secondary to profiteering and self-interests. Therefore, given these parameters, it can be concluded that tier-three participation represents the tipping point of how and when group cohesion and

ideological aims change. Tier-three level participation results in the fragmentation of an armed group, leading to unpredictability in its behavior, which complicates the efforts of government forces to identify and counter its actions properly.

### **C. METHODOLOGY**

Taking inspiration from Steinitz, Ehrenfeld, and the more contemporary works of Phil Williams and Vanda Felbab-Brown, this study explores political, economic and conflict related factors that inhibit the narcotics industry and the cooperation between drug trafficking organizations and insurgent movements, as well as the effect such a relationship can have on political outcomes during conflict and the vulnerable post-conflict period. This study aims to contextualize the political economy of the narcotics industry and examines the relationship between the narcotics industry and the insurgency but also researches the effect the narcotics industry has had on the state and the subsequent erosion of Afghanistan's sovereignty.

A better understanding of the causes and consequences of narcotics production and its effect on intra-state conflict in Afghanistan (1978–2001) and on the inter-state conflict (2001–2010) is critical when attempting to understand fully the influence narcotics plays on the motivations of armed political groups currently fighting against the state in Afghanistan. A historical analysis that examines the development of Afghanistan's narcotics trade while defining its political economy and analyzing the drug trade's infrastructure best explains the effects narcotics has had on both the insurgency and the development of the state since the fall of the Taliban regime in 2002. By using a

historical analysis framework, the causes and consequences of Afghanistan's narcotics production, conflict initiation and conflict duration can best be understood.<sup>15</sup>

Although other researchers have attempted and occasionally succeeded in clandestine field research regarding the narcotics industry, this study relies upon internationally recognized institutions and their publications, such as the United Nations Office of Crime and Drugs (UNDOC), the International Narcotics Control Board (INCB), Interpol, and documents published by the U.S. Drug Enforcement Agency, the U.S. State Department's Bureau of International Narcotics and Law Enforcement Affairs, the U.S. Treasury Department, the National Drug Intelligence Center, and other official bodies, as well as international and regional media reports.<sup>16</sup> Although this study depends upon the United Nations Drug and Crime Office's annual drug reports, surveys and bulletins for the quantitative analysis of drug cultivation levels, smuggling information and drug production levels, the data is not without fault and limitations. Additionally, this study does not take on the rigorous quantitative analysis mapping peculiarities between grow seasons but identifies sharp increases and decreases in production in conjunction with Afghanistan's intrastate conflict and subsequent social and economic crises, the global drug trade, and other external and internal factors to help contextualize the dramatic rise in drug production in Afghanistan between 1979 and 2010. The importance of this study

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<sup>15</sup> As Edmundo Morales notes, the difficulty with the ethics of covert research is the truthfulness of the data, communicating research plans to the subjects being studied, the confidentiality of the subjects being studied, and the security of the researchers as they enter the field. This framework refers specifically to the challenges of field research conducted regarding the narcotics industry. Such resistance to the field worker can threaten not only the project itself but also the life of the researcher, making it difficult to obtain factually and timely information on critical aspects of the drug trade; its social organization, economic and logistical characteristics and its various functionalities. Although limited fieldwork conducted in Afghanistan on the narcotics industry has been conducted during the research for this thesis, no field notes, interviews, photographs or information from that juncture will be used for the completion of this study. The author is also fully aware of the limitations and built in inaccuracies with the methodologies used by early field surveys that sought to measure the levels of cultivation, potential outputs, and locations of these plantations. However, for consistency purposes, UNODC statistics will be used as a general base line for the bulk of this report.

<sup>16</sup> For a body of successful accounts of outside observers infiltrating the drug industry see Ko-Li Chin, *The Golden Triangle: Inside Southeast Asia's Drug Trade* (Ithaca, NY: Cornell University Press, 2009); Gretchen Peters, *Seeds of Terror: How Heroin is Bankrolling the Taliban and Al Qaeda* (NY: St. Martin's Press, 2009); David MacDonald, *Drugs in Afghanistan: Opium, Outlaws and Scorpion Tales* (London: Pluto Press, 2007); Hideyuki Takano, *The Shore Beyond Good and Evil: A Report from Inside Burma's Opium Kingdom* (Reno, NV: Kotan Publishing, 2002); Edmundo Morales, *Cocaine: White Gold Rush in Peru* (Tucson: The University of Arizona Press, 1989).

remains the relationships between criminal syndicates and armed political groups by examining the political economy of armed polities; the dimension most commonly associated with power brokers in the narcotics industry. Evaluating the political economy of such groups requires an examination of the political, economic, and military assets each group acquires and loses during periods of civil war; or “system of war.”<sup>17</sup>

The political dimension of this framework identifies and examines Afghanistan’s political environment over the course of four distinct periods of political and military upheaval and narcotics production. These include 1979–1992, or the Cold War conflict period, 1994–2001, the Taliban era, and 2001–2010, the post-Taliban period. Since 1980, armed political groups have emerged and flourished, withered and died, and manifested so many times that it becomes more useful to identify and define the types of armed polities rather than specific groups and organizations. This framework goes beyond generically lumping together armed political groups into such as monolithic identities like “belligerents” or “the forces of narco-jihad” as other crime-rebellion studies have done.<sup>18</sup> Instead, the four types of armed polities most consistently altering Afghanistan’s political landscape and those *most* associated with the drug trade between 1980 and 2010 can be broken down as insurgent movements, warlord organizations, syndicates/consortia, and the state-level power holders (Table 1).<sup>19</sup> The Taliban movement is best understood as a manifestation from the Soviet-Afghan conflict and a compilation from the four types of armed polities examined in this study. As stated before, breaking down the unit of analysis to these four armed polities, a more holistic and richer contextualization of the Taliban movement can be derived rather than treating the Taliban movement as a monolithic entity.

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<sup>17</sup> Richani, *Systems of Violence: The Political Economy of War and Peace in Colombia*, 5.

<sup>18</sup> Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs*; Eshan Ahrari, Vanda Felbab-Brown, and Louise I. Shelley with Nazia Hussain, “Narco-Jihad: Drug-trafficking and Security in Afghanistan and Pakistan, *The National Bureau of Asian Research*, NBR Special Report #20 (December 2009).

<sup>19</sup> Framework inspired by Winat, “Narcotics in the Golden Triangle.”

Insurgent Movements	Warlord Organizations	Syndicates/Consortia	State-Level Power Holder
<p>—These groups are distinguished by their primary goals, such as interrelated ideology rather than distinct religious or ethnic composition.</p> <p>—Their principal purpose is to overthrow the central government and replace it with their own political organization rather than separating from the government.</p> <p>—These groups include the <i>mujahideen</i> resistance factions that fought the Afghan government and Soviet army in the 1980s.</p>	<p>—Warlord organizations evolved from the militarization of Afghan society and the resources available to those in leadership roles within the resistance.</p> <p>—Typically, they are preoccupied with personal enrichment, illicit market activities, and controlling illicit trade routes.</p> <p>—These individuals created strong patron-client relationships that extended the civil war period after the state’s collapse in 1992.</p>	<p>—Syndicates and consortia comprise the bulk of drug processing entrepreneurs, engage in poppy trading and money lending to poppy farmers, provide access to precursor chemicals and pay protection fees to ensure the safety of drug convoys.</p> <p>—These consortia are typically based along, family, communal, tribal and/or ethnic lines.</p>	<p>— The government has historically played a part in the production of narcotics in Afghanistan.</p> <p>—This pretense has created a legacy of “old hands” concerning the drug industry, creating a rift between them and nouveau-warlords and commanders who rose to prominence during the war.</p> <p>—The duration of conflict and erosion of Afghanistan’s economic base has led to widespread corruption/abuse.</p>
<p><b>Examples:</b> Hezb-i-Islami, Harakat-i Inqelab-i-Islami Afghanistan, Jami’aat Islami, Ittehad-i Islami, Hezb-e-Whadat, Shura-ye Nazar, the Islamic Movement of Uzbekistan, Taliban.</p>	<p><b>Examples:</b> Esmatullah Muslim, Haji Zaman, Hazrat Ali, Ismail Khan, Abdul Rashid Dostum, Sher Muhammad Akhundzada, Raise-e Baghrani, Abdul Rahman Jan Noorzai, Jan Mohammad Popalzai, Commander Rohullah.</p>	<p><b>Examples:</b> Haji Abdul Qadir and the Arsalayee clan, the Khogyani consortium<sup>20</sup> the “Afridi mafia” (in Landi Khotal)<sup>21</sup>, Haji Baaz Mohammad, Haji Bashir Noorzai, Haji Juma Khan, Haji Bagcho, Azizullah Alizai, Haji Adam.</p>	<p><b>Examples:</b> Major General Abdul Razziq, General Daoud Daoud, Border Police commander Shar Shahin, Ahmed Wali Karzai, Mir Wali, Aref Noorzai Khan, Haji Agha Lalai Dastagiri, Abdul “Koka” Khan, Haji Zahir.</p>

Table 1. Definitions and Examples of Armed Polities in Afghanistan

<sup>20</sup> Haji Aman/Haji Amin Kheri.

<sup>21</sup> Although just the Afridi mafia is merely a term to describe the consortium of heroin traffickers in the Landi Kotal area, key traffickers from the area included Sheikh Jumor, Mustaq Malik, Zulfakir Choudry, and Ayoub Afridi. See Brian Freemantle, *The Fix: Inside the World Drug Trade* (New York: TOR Books/Tom Doherty Associates, 1987), 171–179.

By defining and tracking these four polities over the given time period, the necessary and sufficient criteria for various types of participation in the narcotics industry by armed political groups and government institutions can be drawn out and established. To help provide a richer context for these criteria, the economic aspect of this study identifies three key components of the ubiquitous “narco-economy;” including the conflict economy, the informal economy, and the surviving/coping economy, and compares how each of the four armed polities interact and stimulate these economic dimensions.<sup>22</sup> Additionally, to help explain when and how armed polities’ ideas and aims change and how that is known; four questions are addressed within the historical framework:

- What conditions influence the scope and size of the illicit narcotics industry?
- How do government reactions to the narcotics industry, i.e., acceptance, prohibition, eradication, interdiction, or laissez-faire approaches, affect the capabilities of armed polities?
- How do the four types of armed polities engage in the narcotics industry?
- What benefits do the armed polities reap from participating in the narcotics trade?

Answering these questions within the above mentioned historical analysis helps test the robustness of the hypotheses listed earlier, particularly that fighting drug production and drug trafficking is both a necessary and sufficient condition for moving Afghanistan toward a lasting peace. Simply put, the more enmeshed an armed guerilla group becomes in illicit or criminal activity; the less likely it is to abandon its illicit source of revenue. This factor alone promotes the importance in better understanding the role narcotics plays in a conflict and its effect on political outcomes including a post-conflict environment.

#### **D. ORGANIZATION OF THESIS**

This study examines the conditions that create the drug-insurgent nexus to flourish in Afghanistan and track the changes in the threat posed by the narcotics industry

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<sup>22</sup> This framework is based on Jonathan Goodhand, “Frontiers and Wars: the Opium Economy in Afghanistan,” *Journal of Agrarian Change* 5, no. 2 (April 2005): 191–216.

in Afghanistan through four different periods of political upheaval and conflict; beginning in 1979 and ending with the current conflict. To frame the complexities involved with this historical case study properly, Afghanistan's intra-state conflict and international influences must be examined against its ideological and economic dimensions within a broader sociological and historical framework.

Chapter II examines the theoretical concepts associated with the narcotics-insurgency nexus by reviewing the relevant literature. Chapter III identifies the causes and consequences of intra-state conflict and the on-set of narcotics production on an industrial scale between 1980 and 1992, referred to here within as the Cold-War conflict era. Several main themes, namely major structural shifts in the global heroin industry and the effects of Soviet war doctrine, such as the intentional targeting of Afghanistan's agricultural infrastructure are carefully examined and explained. Similarly, the militarization of Afghan society as a byproduct from the conflict reflects how non-traditional community leaders, such as the village mullah and the military commander, became prominent; establishing control over the countryside, militarized traditional dispute resolution mechanisms, such as the *jirga* system, both of which propelled the role of narcotics as a main feature in the conflict economy.

The dark period of Afghanistan's contemporary history, the chaos following the state's collapse in 1992 and the subsequent civil war that engulfed Afghanistan until 2001, are examined in Chapter IV. The effect of spoils politics, environmental and social factors, such as drought and the return of refugees, created a surge in Afghanistan's opium output during this period. The rise of the Taliban in 1994 and its domination of the state following its capture of Kabul in 1996 led to paradox in contemporary political science; the rise of puritanical Islamist movement that facilitated and funded itself largely from the narcotics industry. This little explored aspect provides the first possible account of an "Islamic narco-state," or as Maley suggests, "narco-fundamentalism."<sup>23</sup>

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<sup>23</sup> William Maley, "Interpreting the Taliban," in *Fundamentalism Reborn? Afghanistan and the Taliban*, ed. William Maley (NY: New York University Press, 1998), 2-3.

Chapter V explores the post-2001 conflict period and its multi-polar dimensions of state building, international presence, and a resurgent insurgency overlaid with an entrenched and burgeoning narcotics industry. The proliferation of the Afghan opium trade has become a crucial factor in the political and economic power structures in Southwest Asia. A further understanding of the various relationships between insurgent groups, narcotics traffickers and some criminal personalities within the Afghan polity are examined using large amounts of empirical and judicial evidence. A summary analysis of this study's findings and potential watch-points for drug-insurgent and crime-state nexus evolution are presented in Chapter VI.

## II. THEORIZING THE NARCOTICS-INSURGENCY NEXUS

Generally, four fields of research tend to describe the connection between insurgent and criminal groups via the illicit narco-economies in which they participate: the narco-terrorism phenomenon, the crime-rebellion nexus (or convergence theory), “in-house capabilities theory,” and divergence theory. This literature review summarizes these areas of research and how they provide a foundation to the thesis argument.

### A. BACKGROUND ON “NARCO-TERRORISM” AND THE “DRUG-INSURGENT NEXUS”

The problem of “narco-terrorism” and the “drug-insurgent nexus” first became apparent in the early 1980s and it is often associated with the drug-fueled insurgencies in Peru and Colombia.<sup>24</sup> Lupsha’s early and simple definition of narco-terrorism, the unlawful use of violence by drug-traffickers, remains apt; although, the use of drug trafficking to advance the objectives of certain governments and rebellion groups as defined by Ehrenfeld is more practical when understanding the crime-state nexus found in Afghanistan.<sup>25</sup>

However, the DEA’s definition of narco-terrorism provides the best overall description and most closely resembles Afghanistan’s drug-insurgent nexus. In 2002, DEA director Asa Hutchinson defined narco-terrorism as “the participation of groups or associated individuals in taxing, providing security, or otherwise aiding or abetting drug trafficking endeavors in an effort to further, or fund, terrorist activities terrorist groups, or associated individuals, participate directly or indirectly in the cultivation, manufacture,

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<sup>24</sup> David B. MacDonald, *Dancing on a Volcano: The Latin America Drug Trade* (New York: Praeger, 1988); David B. MacDonald, *Mountain High, White Avalanche: Cocaine and Power in the Andean States and Panama* (New York: Praeger, 1989). In 1983, then Peruvian President Fernando Belaunde Terry coined the term “narco-terrorism” when he described attacks conducted by *Sendero Luminoso* (the Shining Path) against Peruvian counternarcotics personnel. Thomas Cieslik, “Mexico: Between Skepticism, Hope and Disillusion,” in *The World Views of the U.S. Presidential Election: 2008*, ed. Matthias Maass, (Palgrave Macmillan, 2009), 12.

<sup>25</sup> Peter A. Lupsha, “Towards an Etiology of Drug Trafficking and Insurgent Relations: The Phenomenon of Narco-terrorism,” *International Journal of Comparative and Applied Criminal Justice* 13, no. 2 (Fall 1989): 61–75; Rachel Ehrenfeld, *Narco-Terrorism: How Governments around the World Have Used the Drug Trade to Finance and Further Terrorist Activities* (New York: Basic Books, 1990), xviii.

transportation, or distribution of controlled substances and the monies derived from these activities.”<sup>26</sup> Alarming, narco-terrorism has received little attention outside of conflict zones in South America, and in some cases, like Afghanistan, narco-terrorism has been ignored by many of the international participants operating in Afghanistan. This is partly because the collection and analysis on criminal intelligence is not the sole priority of military intelligence agencies or the Central Intelligence Agency (CIA), but falls under the jurisdiction of the U.S. Drug Enforcement Administration (DEA), which is rarely responsible for weighing its political implications. As Ehrenfeld notes, the difficulty in recognizing a problem as complex and multifaceted as narcotics production without having a ready solution, is “a quandary that policy makers are all too happy to avoid.”<sup>27</sup>

The history of narco-terrorism is well documented, spanning nearly 30 years and encompasses a wide spectrum of ideological and political insurgent groups and their cooperation with narcotics-trafficking groups. In 1983, a relatively early juncture in the Soviet-Afghan war, a spokesman for the DEA ominously warned, “that the *mujahidin* were financing their struggle against the Soviets at least in part through the sale of opium.”<sup>28</sup> On March 10, 1984, a joint Colombian military and DEA raid against *Tranquilandia*, a “cocaine super-lab” owned by the infamous drug baron Pablo Escobar and located deep in territory (Yari plains) controlled by leftists guerrillas known as the *Fuerzas Armadas Revolucionarias Colombia* (FARC), exposed deep ties between narco-traffickers and leftist guerillas and terrorists, namely FARC and the M-19 movement (*Movimiento 19 Abril*).<sup>29</sup> Similar drug-insurgencies have occurred the world over, affecting secular and Islamist movements alike. Hezbollah, the Palestinian Liberation Organization (PLO), the Popular Front for the Liberation of Palestine (PFLP) and smaller Druze and Christian militias became deeply entangled with the narcotics industry during

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<sup>26</sup> Statement of Asa Hutchinson Administrator, Drug Enforcement Administration before the Senate Judiciary Committee Subcommittee on Technology, Terrorism, and Government Information, March 13, 2002.

<sup>27</sup> Rachel Ehrenfeld, *Narco-Terrorism*, xv.

<sup>28</sup> Mark S. Steinitz, “Insurgents, Terrorists and the Drug Trade,” *Washington Quarterly*, Fall 1985.

<sup>29</sup> James Adams, *The Financing of Terror: How the Groups That are Terrorizing the World Get the Money to Do It* (NY: Simon and Schuster, 1986), 215–237; “War on Drugs in Colombia,” 8.

Lebanon's civil war (1975–1991).<sup>30</sup> Twenty-eight years after its creation, Hezbollah still maintains a firm grip on south Lebanon's narcotics industry, processing and trafficking an astounding four to five tons of heroin into Israel in 2008.<sup>31</sup> Burma is another well documented intra-state conflict where narcotics production and trafficking has provided insurgents, paramilitary organizations and ethnic militias with substantial funding to support their subversive operations and political legitimacy through the protection of the rural peasantry and their livelihoods (opium poppy cultivation and processing).<sup>32</sup>

Afghanistan is not dissimilar to these unstable drug-insurgent plagued landscapes. Several principal conclusions can be drawn from examining these war-zones with Afghanistan's drug-insurgency nexus, all of which provide significant insight into the complex drug-insurgent problem currently facing decision makers. First, criminal and drug trafficking organizations are creating strategic partnerships with terrorist and armed political groups to boost profits or enhance military capabilities. The role of organized crime is a severely misunderstood dimension of the Afghan conflict, and as Williams suggests, both criminal enterprise and criminal activities have a profound debilitating effect on reconstruction and development ventures, acts as a political and economic spoiler, and facilitates armed clashes over territory vital to criminal markets like traditional opium grow areas.<sup>33</sup>

Second, the more enmeshed an armed guerilla group becomes in illicit or criminal activity; the less likely it is to abandon its illicit source of revenue.<sup>34</sup> Ehrenfeld correctly asserts that if the opportunity arises for insurgent or terrorists groups to engage in

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<sup>30</sup> Ehrenfeld, *Narco-Terrorism: How Governments around the World Have Used the Drug Trade to Finance and Further Terrorist Activities*, 52–74. Elizabeth Picard, "Trafficking, Rents and Diaspora in the Lebanese War," in *Rethinking the Economics of War: The Intersection of Need, Greed and Creed*, ed. Cynthia J. Arnson and I. William Zartman (Washington, D.C.: Woodrow Wilson Press, 2005), 23–51.

<sup>31</sup> Matti Friedman, "On Jumpy Israel-Lebanon Frontier, a Quiet Drug War," *Associated Press*, April 19, 2009.

<sup>32</sup> Ronald D. Renard, *The Burmese Connection: Illegal Drugs & the Making of the Golden Triangle* (Boulder, CO: Lynne Rienner, 1996).

<sup>33</sup> Phil Williams, "Criminals, Militias, and Insurgents: Organized Crime in Iraq," *Strategic Studies Institute* (June 2009): 11.

<sup>34</sup> Felbab-Brown, "The Intersection of Terrorism and the Drug Trade," 177.

narcotics, they will chose to do so rationally: “if it works and the costs and risks are low, why not? If undertaking risk is adventurism, then timidity in the face of opportunity is equally to be avoided.”<sup>35</sup>

Beginning in the late 1970s, increased insurgent and terrorist connections to illicit activity like narcotics production are partially a result of the worldwide expansion in the demand in drugs, which has opened up new opportunities for what might be considered non-traditional suppliers; including political parties and even some sovereign governments.<sup>36</sup> Despite conflicting long-term objectives and initial aversion or suspicions, insurgent groups and those involved in the narcotics industry share many short-term goals of mutual benefit. This can lead to cooperation, especially when the co-location of insurgency, terrorism, and the drug trade occurs over any *extended* period of time. As Steinitz astutely observes, co-location typically occurs in remote regions; usually areas well below the poverty line with little or no government control, explaining why the narcotics related activity of large rural-based insurgents tend to be most systematic and extensive than that of urban-based terrorist-insurgent groups or those terror-insurgent groups transient or transnational in character.<sup>37</sup> Therefore, “rural insurgency and drug production (especially cultivation and processing) both thrive in remote and rugged areas where the central government is weak and where a nationally-integrated economic infrastructure is lacking.”<sup>38</sup>

## **B. CONTEMPORARY ISSUES: CRIMINAL AND INSURGENTS, DIVERGENT OR ANALOGOUS?**

The growing and dangerous links between terrorist groups and drug traffickers has raised much attention since the early 1990s, but little focus has been applied to the nexus between drug traffickers and insurgent movements. Scholars have widely debated the nature and extent of this connection, offering conflicting views about motivational

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<sup>35</sup> Ehrenfeld, *Narco-Terrorism: How Governments around the World Have Used the Drug Trade to Finance and Further Terrorist Activities*, xvii.

<sup>36</sup> Steinitz, “Insurgents, Terrorists and the Drug Trade.”

<sup>37</sup> Ibid.

<sup>38</sup> Ibid.

and strategic drivers. Are criminal organizations and insurgent movements correctly viewed as distinct phenomenon, or can operational overlap eventually change the motivations that drive resistance movements?

Conventional wisdom regarding criminal and insurgent cooperation suggests that criminals and insurgents/terrorists diverge in both motivations and methods used to achieve their objectives. Alison Jamieson forcefully argues that organized crime syndicates and terrorism “are correctly viewed as a distinct phenomenon;” implying, “the terrorist is a revolutionary, with clear political objectives inviting the overthrow of a government or the status quo, and a set of articulated strategies to achieve them.”<sup>39</sup> Whereas “organized crime actors are inherently conservative: they tend to resist political upheaval and seek condition of order and stability, those more conducive to their business activities.”<sup>40</sup> Naylor offers a similar approach but explicitly compares the divergent motivations between criminals and insurgents:

A world of difference exists between the motives of insurgent versus criminal groups. Criminals commit economic crimes to make money. The buck, so to speak, stops there. But to an insurgent group, money is merely a tool—one that is necessary but not sufficient to achieve the group’s goals.<sup>41</sup>

Jamieson’s argument, although clearly articulated, fails to recognize the reality of the battle space drug traffickers and the violent resistance movements in which they operate. First, organized crime and hostile non-state actors tend to flourish in areas suffering from both weak governance and political upheaval. As Varese notes, “the more confused the legal framework of a country, the more incompetent the police, the more inefficient the courts, the more the mafia will thrive.”<sup>42</sup> Criminal and insurgent groups both stand to benefit from attacking the state and sowing fear among the populace as

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<sup>39</sup> Jamieson cited in Alex Schmid, “Links between Terrorism and Drug Trafficking: A Case of Narco-Terrorism?” *Club de Madrid*, January 27, 2005.

<sup>40</sup> Ibid.

<sup>41</sup> Louise Shelley et al., “Methods and Motives: Exploring Links between Transnational Organized Crime & International Terrorism,” *U.S. Department of Justice*, September 2005.

<sup>42</sup> Federico Varese, *The Russian Mafia: Private Protection in a New Market Economy* (Oxford: Oxford University Press, 2001).

chaos and instability creates the environment needed for their survival. Second, as Aleksandar Fatić argues, “a distinction based on motivation falls on the grounds of the identity of the perpetrators.”<sup>43</sup> In conflict, the line between resistance movements and criminal syndicates is blurred. Fatić indicates many of the actors engaged in organized crime and those engaged in terrorist activities are indeed the same networks and individuals.<sup>44</sup> He suggests many of the main leaders of the Albanian insurgent movement in Kosovo in the late 1990s and early 2000s were people previously known as key heroin traffickers belonging to the same syndicate.

Importantly, criminal and drug trafficking organizations utilize terrorist tactics to achieve their short-term goals and objectives, not all of which are economically motivated as Jamieson and Naylor profess. Williams and Savona have categorized five different reasons criminal organizations deploy terror tactics and anti-state activities to achieve certain outcomes: 1) to disrupt investigations; 2) to deter the introduction or continuation of vigorous government policies; 3) to eliminate effective law enforcement officials; 4) to coerce judges into more lenient sentencing policies; and 5) to create an environment more conducive to criminal activity.<sup>45</sup>

Similarly, insurgent organizations increasingly rely on organized crime tactics, such as smuggling, human/drug/weapons trafficking, document forging, money laundering, “taxing” and extortion to facilitate financial gain. Components largely excluded from this list but equally as important are bribery and political penetration. Drug trafficking groups typically levitate between illicit and licit markets, making most of their profit from the illicit production, trafficking and sales of narcotics but reinvesting in licit enterprises and government positions. Some analysts argue the narco-penetration of state institutions is a far more dangerous outcome than criminal collusion with rebellion or terrorist groups. Mills labels this merger an underground empire that “maintains its own armies, diplomats, intelligence services, banks, merchant fleets and

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<sup>43</sup> Aleksandar Fatić, “The Criminal Syndicate as Parastate in the Balkans: Is the ‘New War-Making Criminal Entity’ a Reality?” *South East Europe Review for Labour and Social Affairs*, no. 04 (2004).

<sup>44</sup> Ibid.

<sup>45</sup> Phil Williams and Ernesto U. Savona, “Introduction: Problems and Dangers Posed by Organized Crime in the Various Regions of the World,” *Transnational Organized Crime* 1, no. 3 (Autumn 1995): 25.

airlines.”<sup>46</sup> Some criminologists argue that criminal and insurgent motivations are simply too divergent for both parties cooperate even for short-term, mutually beneficial transactions. While acknowledging the shared methodology and tactics between criminals and insurgents, Dishman insists transnational criminal organizations (TCOs) and insurgents generally do not cooperate with each other to advance their aims and interests.<sup>47</sup> Instead, terrorist and insurgent groups prefer to use their own “in-house” capabilities to undertake criminal and political acts. Simply put, Dishman’s theory assumes insurgents would opt to develop their own capabilities to conduct criminal actions, whether it is forging documents, processing and trafficking drugs, or kidnapping for ransom, rather than outsourcing these actions to known specialists.

Undoubtedly, insurgent and criminal organizations may occasionally development “in-house” capabilities, such as bomb making and money laundering, but this development process often takes more time than is available. Schimd notes, “in the case of Colombia, there were reports indicating that cocaine kingpin Pablo Escobar hired ELN (National Liberation Army) *guerrilleros* to plant car bombs in 1993.”<sup>48</sup> A coalition of narco-criminals and insurgents is prolific in Afghanistan and several examples of this union have been well documented and observed. For instance, the arrest of Haji Juma Khan, a key narco-trafficker from southern Afghanistan in August 2008, displays how involved drug traffickers have become in the Afghan insurgency.<sup>49</sup> Khan was indicted on multiple narco-terrorism charges, including the facilitation of a suicide bomb attack against an Afghan governor in 2007 that killed six bodyguards and the deadly suicide bombing attack against the Serena Hotel in Kabul that killed eight people, including an American citizen.<sup>50</sup> On April 30, 2008, a suicide bomber detonated himself at a district police headquarters in eastern Afghanistan, killing 11 counter-narcotics policemen and

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<sup>46</sup> James Mills, *The Underground Empire: Where Crime and Governments Embrace* (New York: Doubleday, 1986), 3–4.

<sup>47</sup> Chris Dishman, “Terrorism, Crime, and Transformation,” *Studies in Conflict & Terrorism* 24, (2001): 43–58.

<sup>48</sup> *Ibid.*

<sup>49</sup> United States District Court, Southern District of New York, unsealed Indictment, United States of America v. Hajji Juma Khan.

<sup>50</sup> *Ibid.*

injuring 31 others, including the district administrator.<sup>51</sup> The Taliban assumed responsibility for the deadly attack and the UN issued a statement shortly afterward saying, “the circumstances of this attack illustrate the unmistakable bonds of partnership between terrorists and drug traffickers.”<sup>52</sup> It would be inaccurate to assume that “in-house capabilities” of Afghan drug trafficking organizations affords criminals the opportunity the continually deploy suicide bombers against law enforcement and anti-narcotics personnel.

### C. CRIME-REBELLION NEXUS AND CRIME-STATE NEXUS

Numerous scholars in the fields of economics and sociology have argued that the key drivers for the production of illegal narcotics are poverty, inequality, economic crises and state corruption.<sup>53</sup> Additionally, some policymakers have correlated higher levels of violence and conflict to an increase in narcotics production. The production of narcotics, especially in the few regions of the world that produce abnormally large amounts of illegal narcotics, like Colombia, Peru, Afghanistan and Burma, is symptomatic of larger socioeconomic and political problems altogether. Undoubtedly, the presence of civil unrest, political and economic crises, instability and open warfare create the conditions needed for a narcotics industry to thrive. However, what happens when armed groups that are fighting against a state are introduced to the illicit market of narcotics production?

Cornell and Makarenko suggest the more an armed political or ideological group become involved in the drug industry, the more likely these groups will morph into a more orthodox version of a criminal syndicate despite maintaining divergent ideology and purpose. Alan Wright suggests a similar model; with organized crime and terrorism

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<sup>51</sup> “Suicide Attack on Afghan Anti-Drugs Team Kills 18,” *Daily Times*, April 30, 2008.

<sup>52</sup> *Ibid.*

<sup>53</sup> Francisco E. Thoumi, *Illegal Drugs, Economy, and Society in the Andes* (Baltimore, MD: John Hopkins University Press, 2003), 48–52.

representing two points on the same continuum, with the biggest differences being terrorist groups have more defined political goals and objectives, whereas criminal syndicates are driven by economic motives.<sup>54</sup>

The foundation of the crime-terror nexus theory, or as Cornell suggests, the “crime-rebellion nexus” which incorporates insurgent movements into the model, and therefore, more applicable in this study, is viewing the relationship between organized crime and insurgent movements on a continuum with various degrees in between representing steps toward a convergence (Figure 2).<sup>55</sup> Simply put, the more engaged in narcotics related activities, the more likely ideological erosion occurs, with profit and monetary gain trumping political and ideological objectives. O’Malley and Hutchinson have refined this theory by indentifying that a terrorist or insurgent organizations’ structure are key predictors of the types of crimes in which they engage, while their ideological (i.e., political) distinctiveness from organized crime “preclude fully symbiotic cooperation.”<sup>56</sup> As stated before, this study aims to apply this assumption to the armed polities engaged in both resistance and state formation in Afghanistan between 1978 and 2010.

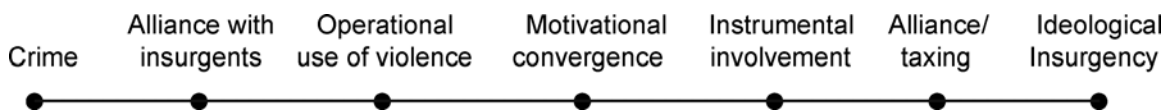


Figure 2. Crime-Rebellion Continuum

The crime-terror nexus, and the more contemporary “crime-rebellion nexus,” remains a serious threat to nation-states, particularly in the developing world, and among the litany of pre and post-Cold War conflict zones suffering from decades of state sponsored warfare.<sup>57</sup>

<sup>54</sup> Alan Wright, *Organised Crime* (Portland, OR: Willan, 2006).

<sup>55</sup> Cornell, “Narcotics and Armed Conflict: Interaction and Implications,” 207–227.

<sup>56</sup> Steven Hutchinson and Pat O’Malley, “A Crime-Terror Nexus? Thinking on Some of the Links between Terrorism and Criminality,” *Studies in Conflict & Terrorism* 30, no. 12 (2007): 1095–1107.

<sup>57</sup> The term “crime-rebellion nexus” was first coined by Cornell in “Narcotics and Armed Conflict: Interaction and Implications,” 207–220.

Afghanistan remains one such conflict zone, the victim of a raging insurgency and weak state institutions plagued by a serious dependence on narcotics production, corruption, cronyism, and lacks both state capacity and legitimacy.<sup>58</sup> Similar circumstances have occurred among a multitude of different insurgent groups in varying geographic locales. Recent examples include the Kosovo Liberation Army trafficking in heroin to help fund military operations during the liberation of Kosovo, as well as guerilla groups in Spain, Sri Lanka, Turkey, Lebanon and the Islamic Movement of Uzbekistan in Central Asia that also participated in drug trafficking to fund terrorist activities.<sup>59</sup> Currently, Afghanistan's insurgency is showing signs of a partial transition into criminal syndicates among some of its elements, particularly in the semiautonomous drug-producing provinces of southwestern Afghanistan.

Economic agendas, fused with quasi-political ambitions or local territory domination, fueled Afghanistan's conflict throughout the 1980s and 1990s. Following the removal of the Taliban regime in late 2001, these underlying economic agendas have only complicated the socio-economic and political situation further. Many of the former sub-state actors are now key government officials or influential businessmen who straddle the line between warlords or crime bosses, formal businessmen, and politicians.<sup>60</sup>

#### **D. COOPERATION AND CONVERGENCE WATCH POINTS**

Despite literature suggesting the impracticality of criminal and insurgent cooperation, numerous criteria points indicate when criminals and insurgents will

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<sup>58</sup> Afghanistan, besides being the world's number one producer of illicit opium and hashish, also enjoys a thriving shadow economy revolving around emerald mines, lapis lazuli, timber, and marble.

<sup>59</sup> Hutchinson and O'Malley, "A Crime-Terror Nexus?, 1095–1107; Svante E. Cornell, "Narcotics, Radicalism and Armed Conflict in Central Asia: The Islamic Movement of Uzbekistan," *Terrorism and Political Violence* 17, no. 4 (2005); Mitchel P. Roth and Mirat Sever, "The Kurdish Workers Party (PKK) as a Criminal Syndicate: Funding Terrorism Through Organized Crime," *Studies in Conflict & Terrorism* 30 (2007).

<sup>60</sup> High profile personalities that fit this description include General Abdul Rashid Dostum, Ismail Khan, Gul Agha Sherzai, Ahmed Wali Karzai, Aref Noorzai, Sher Muhammad Akhundzada, Abdul Rehman Jan, Gen. Daud Daud, Qauyum Karzai, Hajji din Mohamamd and Adul Rasul Sayyaff. Antonio Giustozzi, *Empires of Mud: Wars and Warlords in Afghanistan* (New York: Columbia University Press, 2009); Peters, *Seeds of Terror: How Heroin is Bankrolling the Taliban and Al Qaeda*; Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs*.

cooperate especially when mutually beneficial conditions exist. Steinitz recognized over 20 years ago that “despite conflicting long-term objectives and initial antipathy or suspicions, insurgent groups and those involved in the narcotics industry share many short-term goals and can be of mutual benefit. This can lead to cooperation especially when the co-location of insurgency, terrorism, and the drug trade occurs over any *extended* period of time.”<sup>61</sup> Additionally, the sharing of geographical space between narcotics producers and traders and armed political groups typically occurs in rural, remote, and/or rugged regions where weak or nonexistent state influence exists. According to Steinitz, this helps explain why the narcotics related activity of large rural-based insurgents tend to be more systematic and extensive than that of urban-based terrorist-insurgent groups or those terror-insurgent groups transient or transnational in character.<sup>62</sup>

The merger of criminals and insurgents is not purely financial. According to Brown, motivations for criminal and insurgent association or cooperation include political capital, or in other words, social control and political legitimacy, the enhancement of physical capabilities, and freedom of action.<sup>63</sup> Schmid goes further, suggesting additional motivations, such as the independence from state sponsorship; access to specialist skills (money laundering, bomb-making specialists, etc.); facilitation of cross-border movements (use of smuggling routes); substituting activity during armistices or at end of hostilities; and coming into contact with a wider range of potential recruits who are already outlaws.<sup>64</sup> Highlighting such circumstances further, the Counterterrorism Center (CTC) sponsored workshop entitled, *The Evolution of Terrorists into Criminals: Drivers and Implications*, held in May 2009, identified 12 such drivers, factors, or events that determine whether and how a terrorist group evolves towards criminality. Similarly, an in-depth study funded by the U.S. Department of Justice in

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<sup>61</sup> Steinitz, “Insurgents, Terrorists and the Drug Trade.”

<sup>62</sup> Ibid.

<sup>63</sup> *The Making of a Terrorist: Recruitment, Training, and Root Causes*, vol. III, ed. James J. F. Forest, (Westport, CT: Praeger Security International, 2006); Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs*.

<sup>64</sup> Schmid, “Links between Terrorism and Drug Trafficking: A Case of Narco-Terrorism?”

2005 investigating the shared methods and motives between criminal and terrorist groups came to a similar conclusion, identifying twelve “watch-points” or indicators when terrorists and criminals will likely cooperate or engage in mutually beneficial actions.<sup>65</sup> The criteria points from each of the four reports have been synthesized into a table that includes a “modified” column incorporating those elements most applicable when analyzing Afghanistan’s violent non-state actors (Table 2).

<b>CTC Criteria</b>	<b>Schmid’s Criteria</b>	<b>DOJ “Watch Points”</b>	<b>Modified</b>
Economic Necessity	Access to greater financial resources	Open activities in the legitimate economy	Access to greater financial resources/fundraising success
Organizational Necessity	Independence from state sponsorship	Shared illicit nodes	Political Capital/social control
Social Control	Building an economic base, compensating for lack of public support	Communications	Access to specialist skills (smuggling, armed attacks, protection, bribery)
Security Force Targeting of Finances	Access to specialist skills (e.g., forging of travel documents)	Use of information technology (IT)	Organizational structures
Legitimacy of Crime as a Strategy	Facilitation of cross-border movements	Use of violence	Use of violence
Criminal and Terrorist Plausible Deniability	Substitute activity during armistices or at end of hostilities	Use of corruption	Use of corruption
Fundraising Success	Enhancing recruitment opportunities	Financial transactions & money laundering	Political-terrorist label provides extra degree of ‘intimidation.’
Incomplete Political Settlement	Access to expertise in illicit transfer and laundering of money	Organizational structures	Organizational overlap/Motivational Overlap
	Drug traffickers obtain protection for illicit drug cultivation or trafficking from insurgent military skills.	Organizational goals	Drug traffickers obtain protection for illicit drug cultivation or trafficking from insurgent military skills.
	Insurgent destabilization of political and economic structures creates favorable environments for criminal activities	Culture	Geographical setting/co-location of rebellion groups and criminal organizations. Typically rural, isolated and rugged.

<sup>65</sup> Shelley et al., *Methods and Motives: Exploring Links between Transnational Organized Crime & International Terrorism*.

CTC Criteria	Schmid’s Criteria	DOJ “Watch Points”	Modified
	Law enforcement preoccupation with countering insurgency diverts attention from criminal activities	Popular support/Trust	To deter the introduction or continuation of vigorous government policies (i.e., drug eradication measures)
	Political-terrorist label provides extra degree of ‘intimidation.’		

Table 2. Convergence Points and Overlap between Criminal Groups and Insurgents

The implications of criminal involvement and drug related activities (cultivation, processing, trafficking) invariably affect the relationship between armed polities with the state and society. Whether or not group cohesion and ideology is impacted directly, no doubt exists that these groups benefit by enhancing their military capabilities, such as acquiring more advanced weapons and supplies, can afford to employ more fighters, corrupt political leaders, access criminal specialists, such as document forgers and money laundering networks—all of which results in the further weakening of the state. As Cornell notes, the combination of crime and drugs is instrumental in enabling an armed polity to threaten the security, stability and sovereignty of a state at its very foundation—specifically by challenging its monopoly of the use of force and control over territory.<sup>66</sup> The intrinsic relationship between criminals and insurgents has seriously eroded Afghan state authority, successfully defeated law enforcement efforts to curb drug production, and continues to pose a serious threat to U.S. national security interests in Afghanistan.

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<sup>66</sup> Cornell, “Narcotics and Armed Conflict: Interaction and Implications,” 212.

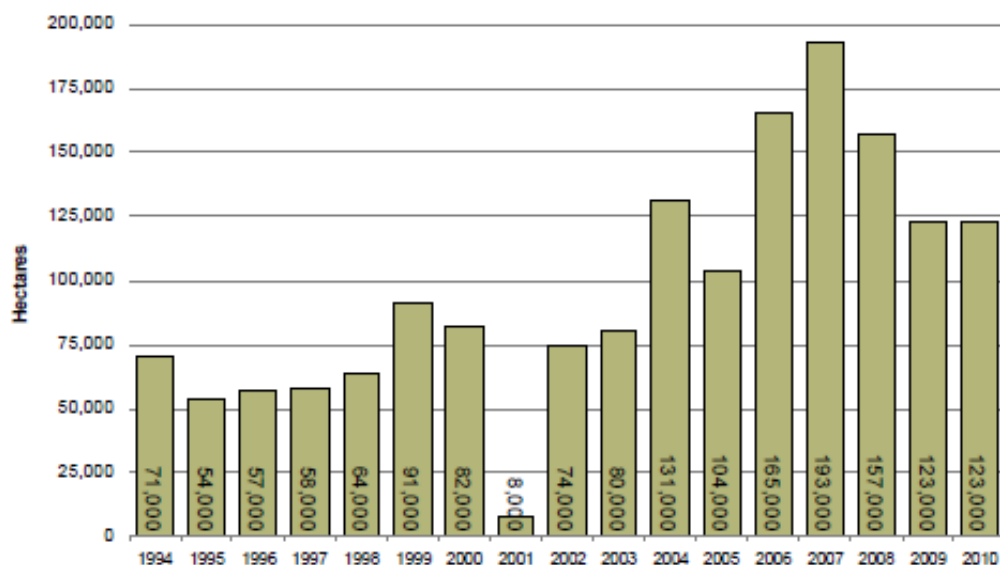
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### III. INTRA-STATE CONFLICT, NARCOTICS PRODUCTION AND SOCIAL CRISIS IN AFGHANISTAN (1980–1992)

Heroin is our mineral wealth.

—Proverb among the Afridi tribesmen in eastern Afghanistan

In 2007, the United Nations Office for Drugs and Crime (UNODC) estimated that Afghanistan produced 8,200 metric tons of opium on 193,000 hectares of arable land (Table 3). The 2007 bumper crop is the equivalent to nearly 800 metric tons of heroin, more than double the annual demand for illicit refined heroin. Afghanistan’s unprecedented level of opium production is not completely unfounded despite the desperate search by the international community for programs to bolster its counternarcotics efforts in war torn Afghanistan.



Source: UNODC (1994-2002), MCN/UNODC (since 2003).

Table 3. Amount of Hectares Cultivated with Opium Poppies in Afghansitan 1994–2010

Therefore, how has intra-state conflict in conjunction with narcotics production altered political, social and cultural factors in Afghan society? Afghanistan has an ancient tradition of opium and cannabis production, but only within the past 40 years has intra-state conflict, ineffective governance, corruption and the widespread destruction of Afghanistan's licit agriculture sector propelled Afghanistan into the realm of a "narco-state."

To contextualize Afghanistan's addiction to an entrenched narco-economy properly, this chapter incorporates a historical analysis of Afghanistan's intra-state conflict, subsequent political and economic crises, and global factors in the world's supply of illicit narcotics. The Cold War period of conflict (1980–1992) increased illicit drug production and according to Goodhand, evolved into a complex overlay of three types of competing economies: conflict, coping and survival economies; all of which have usurped and transformed traditional aspects of Afghan society.<sup>67</sup> Secondly, the rise in illicit narcotics production, at least on an industrial scale, is a byproduct of the first phase of intra-state conflict (1980–1989), not a causal mechanism for conflict.

This chapter primarily examines the impact of narcotics production in conjunction with Afghanistan's intrastate conflict during the Cold War era (1980–1992). Not surprisingly, the increase of narcotics production coincided with Afghanistan's political and security upheaval following the Soviet invasion on December 24, 1979. However, both internal and external factors drastically affected the upward trajectory of narcotics production in Afghanistan during the 1980s. Internally, the Soviet's pacification program attempted to "starve" the resistance by attacking the rural agriculture infrastructure, such as *karez* (irrigation canals, or *qanāt* in Dari), poisoned wells, destroyed harvests and Soviet military operations intentionally targeted and killed farmers.<sup>68</sup> Following the

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<sup>67</sup> Goodhand, "Frontiers and Wars: the Opium Economy in Afghanistan," 191–216.

<sup>68</sup> Anthony Arnold, *The Fateful Pebble: Afghanistan's Role in the Fall of the Soviet Empire* (Novato, CA: Presidio Press, 1993), 126–128; Mohammad Qasim Yusufi, "Effects of the War on Agriculture," in *The Tragedy of Afghanistan: The Social, Cultural, and Political Impact of the Soviet Invasion*, ed. Bo Huldtt and Erland Jansson (NY: Croom Helm, 1988), 197–218; Barnett R. Rubin, *The Fragmentation of Afghanistan* (New Haven, CT: Yale University Press, 2002), 181. For Soviet usage of chemical weapons in Afghanistan as early as 1980, see Sterling Seagrave, *Yellow Rain: A Journey through the Terror of Chemical Warfare* (New York: Evans, 1981), 133–142.

Soviet invasion, the United States, Europe and all Middle Eastern states ended their financial support to Afghanistan, leaving the agricultural sector starving for resources. Each of these elements led to the ultimate destruction of Afghanistan's traditional licit agricultural sector. Simultaneously, the war created a conflict economy, dictated by the actions of resistance commanders and their clientele, and a coping economy, which rural farmers, choosing to stay in their native rural environs, adopted. A third overlapping economy dubbed the "shadow" economy for the purpose of this study; benefited those actors participating in illicit activities, such as smuggling, drug processing and refinement.<sup>69</sup> The delineation between conflict economy and shadow economy are "those actors whose objective it is to wage war and those who aim to make profit."<sup>70</sup>

Opium, a low risk, high-profit commodity, became the pivotal product of all three economies. The established networks of weapons pipelines facilitated by Pakistan's ISI to arm the resistance in Afghanistan became the logical source of illicit drug exportation back into Pakistan. By examining internal and external economic, environmental, political and military factors, this chapter explains the outbreak, transformation and the prolongation of Afghanistan's intra-state war and how the illicit production of narcotics became socio-economically entrenched between 1980 and 1992.

#### **A. AFGHAN NARCOTICS PRODUCTION IN A HISTORICAL SETTING**

For centuries, Afghanistan has cultivated *Papaver somniferum*, widely known as opium poppy. Some historians suggest Alexander the Great and his invading army first introduced opium poppy to South Asia during their conquest of the region between 327 BC–325 BC, although others propose Arabs first introduced opium poppy to India during the seventh century after conquering Spain, Egypt, Asia Minor, Persia, Turkestan and

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<sup>69</sup> Carolyn Nordstrom, "Shadows and Sovereigns," *Theory, Culture and Society* 17, no. 4 (2000): 35–44.

<sup>70</sup> Goodhand, "Frontiers and Wars: the Opium Economy in Afghanistan," 204.

certain parts of India.<sup>71</sup> However, the first time opium is documented explicitly from a medicinal viewpoint comes much later in 1200 CE.<sup>72</sup> The medicinal properties of opium, the liquid sap extracted from the egg-shaped poppy pod a few weeks after its flower petals drop off, have been known to mankind since prehistoric times.<sup>73</sup> When ingested, opium provides four unique medicinal properties; appetite suppression, hyper-analgesic (pain relief), diarrhea prevention/alleviation and is one of the best-known cough suppressants. The medicinal value of opium is what likely led to its wide-scale social and cultural acceptance throughout Central Asia, which like most of the developing world, struggled to access potable water sources (diarrhea is commonly acquired to those consuming contaminated water sources), faced food insecurity during long winter seasons (and in mountainous locales), and suffered with the rest of the world during the tuberculosis epidemic in the 1850s.

Afghanistan traditionally produced enough opium for its own domestic consumption, both medicinally and recreationally. In 1932, British officials recorded the first scientific measure of opium produced in Afghanistan; 75 tons harvested from approximately 4,000 hectares of land.<sup>74</sup> Afghanistan's monarchy at the time did little in the way of discouraging or preventing the production of opium or cannabis resin, better known regionally as *hashish* or *charas*. The monarchy eventually prohibited opium production in 1945 with mixed results, although Afghanistan's annual output dropped to 12 tons by 1956.<sup>75</sup> This trend would prove to be short-lived.

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<sup>71</sup> Macdonald, *Drugs in Afghanistan: Opium, Outlaws and Scorpion Tales*, 59–60; Pierre-Arnaud Chouvy, *Opium: Uncovering the Politics of the Poppy* (New York: I. B. Tauris & Co. Ltd., 2009), 4; Alain Labrousse, "Drugs: The Major Obstacle to Afghan Reconstruction?," in *Trouble in the Triangle: Opium and Conflict in Burma*, ed. Martin Jelsma, Tom Kramer and Pietje Vervest (Bangkok: Silkworm Books, 2005), 176–177.

<sup>72</sup> A. Husain and J. R. Sharma, *The Opium Poppy* (Central Institute of Medicinal & Aromatic Plants, 1983), 25.

<sup>73</sup> Preserved remains of cultivated poppy pods and seeds have been discovered in archeological dig sites in Switzerland that date back to the fourth millennium BC Neolithic period. For more, see Martin Booth, *Opium: A History* (New York: St. Martin's Press, 1996), 15–34.

<sup>74</sup> Dee Pak Lal, "Endangering the War on Terror by the War on Drugs," *World Economics* 9, no. 3 (July-September 2008): 2.

<sup>75</sup> Macdonald, *Drugs in Afghanistan: Opium, Outlaws and Scorpion Tales*, 60.

Regional factors including exuberant levels of Iranian opium consumption and the influx of Western tourists into the region beginning in the 1960s helped expand Afghanistan's narcotics industry while fulfilling the demands of regional addicts. Although Iran itself has cultivated opium poppy since the eleventh century, addiction did not become a problem until the twentieth century.<sup>76</sup> In response to his country's spiraling rates of opium addiction, some two million opium addicts of which collectively consumed two tons of opium a day, the shah of Iran prohibited opium production in 1955.<sup>77</sup> Afghanistan and Pakistan soon filled Iran's market demand, producing more opium and hashish for export, a move Afghanistan's king fully encouraged by facilitating the delivery of chemical fertilizers to cannabis farmers to help enhance the yields in 1969 and 1970.<sup>78</sup>

American and European smugglers facilitated the movement of Afghan hash throughout the world until U.S. drug enforcement officials setup an office in Kabul in 1971 to help curb the growing proliferation of Afghan hash and the production of "honey-oil," a highly potent liquid hashish extract manufactured by an American drug syndicate dubbed "the Brotherhood of Eternal Love." The problem had become epidemic. By the early 1970s, between 5,000 and 6,000 "hippies" lived in Kabul alone.<sup>79</sup> In 1973, Afghanistan accepted \$47 million from the U.S. government to destroy opium and hashish production. This contract prompted one of the last royal decrees issued by King Zahir Shah, prohibiting any further cannabis or poppy cultivation, before his cousin Mohammad Daoud removed him from power in a bloodless-coup.<sup>80</sup> In one of the earliest recorded campaigns of forced crop eradication in Afghanistan's history, Afghan soldiers

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<sup>76</sup> Scott B. MacDonald, "Afghanistan," in *The International Handbook on Drug Control*, ed. Scott B. MacDonald and Bruce Zargarias (Westport, CT: Greenwood Press, 1992), 316. The United States estimated that in 1949, 11% of the adult population of Iran was addicted to opium. Amir Zada Asad and Robert Harris, *The Politics and Economics of Drug Production on the Pakistan-Afghanistan Border* (Burlington, VT: Ashgate, 2003), 36.

<sup>77</sup> Catherine Lamour and Michel R. Lamberti, *The International Connection: Opium From Growers to Pushers* (New York: Pantheon, 1974), 222; Chouvy, *Opium: Uncovering the Politics of the Poppy*, 29.

<sup>78</sup> Martin Booth, *Cannabis: A History* (NY: St. Martin's Press, 2003), 284.

<sup>79</sup> MacDonald, "Afghanistan," in *The International Handbook on Drug Control*, 317.

<sup>80</sup> Booth, *Cannabis: A History*, 289; Robert Connell Clarke, *Hashish!* (Los Angeles: Red Eye Press, 1998), 117; McDonald, *Drugs in Afghanistan: Opium, Outlaws and Scorpion Tales*, 118.

stormed the cannabis producing regions of Mazar-i-Sharif and parts of Kandahar, destroying and burning cannabis crops, farmers' homes, and arresting and killing farmers and laborers throughout the traditional growing regions. For approximately two years afterwards, Afghanistan produced little hashish, with almost none of it making it to the international export circuit. In 1970, three years prior to the prohibition and forced eradication campaign, Afghanistan produced approximately 30% of the world's hashish production; accounting for more hashish production than Pakistan (20%) and Lebanon (25%).<sup>81</sup>

Afghanistan's strategic placement along the famed "hippy-trail," an overland route that western tourists took from Europe to India in the 1960s and 1970s, partially explains the reason why syndicates like the Brotherhood set up shop in Kabul. Additional factors enticed globally minded drug entrepreneurs like the Brotherhood to Kabul; Afghanistan's ancient tradition of narcotics cultivation, the monarchy's inconsistent regulations on narcotics production and consumption coupled with its weak institutions and limited reach into the hinterlands. Increased narcotics production and a higher demand from Iranian drug consumers indicated Afghanistan would likely become a major regional producer of illicit drugs for the foreseeable future. Similarly, Pakistan's opium production also catered to the Iranian market, increasing from 90 tons in 1971, to 500 tons in 1978, and culminating with a record 800 tons in 1979.<sup>82</sup>

The aggressive state actions against Afghanistan's cannabis production, and to a lesser extent its opium production, forced many farmers to move their cultivation operations away from main roadways and into walled compounds or more remote and rugged areas. Traditional cannabis grow areas, such as Mazar-i-Sharif and Kandahar, soon fell way to the eastern provinces of Paktia and Nangarhar, which substantially increased their output of cannabis. The geopolitics of Afghanistan's narcotics production would later hold major implications for Afghanistan's surge in opium production. Additionally, the illicit transit routes from Pakistan to Afghanistan supplying lethal aid to the Afghan *mujahedeen* ("soldiers of God," indigenous resistance groups) would later

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<sup>81</sup> Booth, *Cannabis: A History*, 289.

<sup>82</sup> Chouvy, *Opium: Uncovering the Politics of the Poppy*, 28.

facilitate the movement of narcotics out of Afghanistan as weapons and ammunition flowed into the country. Both elements would help create a three-tiered economy based on conflict, profit making, and survival.

## **B. STRUCTURAL CHANGES IN THE INTERNATIONAL HEROIN MARKET**

By the late 1970s, Afghanistan's reliable drug markets in Iran and Pakistan were soon disrupted after a series of changes occurred in the international heroin market.<sup>83</sup> The world's global supply of heroin largely originated from two opium-producing regions at the time, the co-called Golden Crescent and the Golden Triangle.<sup>84</sup> South American produced heroin did not become a factor until much later. For instance, Colombia first reported the cultivation of opium poppy as late as 1986.<sup>85</sup>

Several major shifts occurred in 1979 that disrupted the global heroin market. First, the Islamic Revolution swept through Iran, putting an end to the unpopular monarchy and ushering in a new era of Islamic fundamentalism and political uncertainty. Iranian opium production surged in the chaos following Iran's rapid regime change, in effect ending the market domination from Afghan-produced opium. At nearly the same time, the Soviet Union invaded Afghanistan and temporarily sealed off and disrupted Afghanistan's traditional drug trade routes into Iran. For nearly the next decade, Iran's capacity for counter-narcotics operations was largely hampered by the ferocious eight-year war with Iraq; although the 200 to 400 tons of opium Iran produced each year during

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<sup>83</sup> Opium produced in Turkey was a major source of heroin for Western Europe and the United States in the late 1960s and early 1970s, with an estimated 80% of American heroin being supplied from Turkish origins. After Turkish authorities began limiting the amount of legally produced opium and the successful law enforcement operations that disrupted the "French Connection," the French drug trafficking syndicate that refined Turkish opiates into heroin in southern France and smuggled large shipments to New York City, Southeast Asian heroin soon became the source of 30% of America's heroin by 1972. Newsday Editorial Staff, *The Heroin Trial* (New York: Signet, 1974), xiii-xiv.

<sup>84</sup> Iran, Afghanistan and Pakistan together form the "Golden Crescent" while the poppy-producing intersection of Laos, Burma and Thailand comprised the "Golden Triangle." Anthony Henman, Roger Lewis, and Tim Maylon, *Big Deal: The Politics of the Illicit Drugs Business* (London: Pluto Press, 1985), 20-21.

<sup>85</sup> Francisco E. Thoumi, "Illegal Drugs in Colombia: From Illegal Economic Boom to Social Crisis," in *The Political Economy of the Drug Industry: Latin America and the International System*, ed. Menno Vellinga (Gainesville, FL: University Press of Florida, 2004), 74.

the war became insufficient for its spiraling rate of domestic opium and heroin consumption.<sup>86</sup> The surge in Afghan produced heroin, as well as the large number of Afghans living in Iranian refugee camps during the 1980s, eventually rejuvenated and galvanized the pipeline of Afghan opiates entering Iran.<sup>87</sup>

Elsewhere, the traditional opium-producing region in Southeast Asia, known as “the Golden Triangle,” faced severe drought and protracted political instability during the 1970s.<sup>88</sup> Drought was responsible for decreasing the Golden Triangle’s opium output from 700 tons in 1971 to 160 tons in 1979 and 225 tons in 1980.<sup>89</sup> Both Vietnam and Laos collapsed in the mid-1970s, significantly disrupting the flow of opium and narcotics from the Golden Triangle to the United States and Western Europe, at the time the most prolific consumers of heroin in the world.<sup>90</sup> Turkey, in conjunction with increased U.S. pressure, began to crack down effectively on its illicit opium markets, a diversionary byproduct of Turkey’s licit (pharmaceutical) opium industry, while Pakistan’s Islamist military regime began to implement stricter control measures against its illicit opium production in its borderlands, which substantially impacted the amount of opium Pakistan produced. Following the record measurement of 800 tons of opium produced in 1979, Pakistan decreased its opium output to 75–150 tons in 1980 and 40–70 tons by 1985.<sup>91</sup>

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<sup>86</sup> Scott B. MacDonald and Barbara Jahansoozi, “The Islamic Republic of Iran,” in *The International Handbook on Drug Control*, ed. Scott B. MacDonald and Bruce Zargarias (Westport: Greenwood Press, 1992), 328.

<sup>87</sup> Matthew DuPée, “Iran’s Thirty-Year Drug War,” *World Politics Review* (February 10, 2010).

<sup>88</sup> Chouvy, *Opium: Uncovering the Politics of the Poppy*, 30.

<sup>89</sup> Wiant, “Narcotics in the Golden Triangle,” 129.

<sup>90</sup> Heroin use surged in Europe and America by the late 1960s. By 1971, Americans listed heroin addiction as their third primary concern after the Vietnam War and the economy, prompting President Nixon to declare the “War on Drugs” later the same year. Letizia Paoli, Victoria A. Greenfield, and Peter Reuter, *The World Heroin Market: Can Supply be Cut?* (New York: Oxford University Press, 2009), 35.

<sup>91</sup> Charles J. Gutensohn, “International Drug Trafficking: The DEA Perspective,” in *International Drug Trafficking*, ed. Dennis Rowe (Chicago: University of Illinois at Chicago Press, 1987), 39.

**Market Comparison of Largest Global Heroin Producers 1970s-1980s**

Golden Triangle		Golden Crescent		
Laos -Burma	Thailand	Iran	Afghanistan	Pakistan
<b>Consumption:</b> Opium is used for recreational, medicinal, and traditional ceremonial purposes. Laos has the third highest opiate consumption rate worldwide.	<b>Consumption:</b> Consumer demand is higher than the amount of opium produced by Thailand.	<b>Consumption:</b> 500,000 estimated addicts in 1990; 1.5 million addicts in 2010. Unofficial estimates as high as 5 million addicts.	<b>Consumption:</b> Unknown in the 1980s, exceeds 1 million addicts by 2010.	<b>Consumption:</b> 5,000 addicts in 1980; 650,000 by 1986; currently exceeds 1.5 million.
<b>Production:</b> Burma led the world in illicit opium production during the 1970s and most of the 1980s. Production dropped from 700 tons in 1971 to 160 tons in 1979 and 225 tons in 1980 due to drought.	<b>Production:</b> Production dropped to a quarter of the opium produced in the 1960s during the 70s, 80s; virtually ceased production by the 90s.	<b>Production:</b> 200-400 tons produced annually between 1980-1989.	<b>Production:</b> Opium production doubled between 1982 (300 tons) and 1983 (575 tons), again between 1986 (350 tons) and 1987 (875 tons), and galvanized Afghanistan's role as a global opium producer by 1991 with 1,980 tons produced.	<b>Production:</b> increased from 90 tons in 1971, to 500 tons in 1978, and culminating with a record 800 tons in 1979. decreased its opium output to 75-150 tons in 1980 and 40-70 tons by 1985
<b>Internal:</b> Intra-state conflict since 1948, ethnic insurgencies, creation of mini-statelets.	<b>Internal:</b> Successfully ended reliance on opium cultivation after 30 years of counternarcotics and alternative livelihood and alternative crop schemes.	<b>Internal:</b> Islamic Revolution in 1979, regime change. Inter-state war between 1980-1989.	<b>Internal:</b> Coup in 1973, coup d'état 1979, intra-state conflict 1979-1992.	<b>Internal:</b> coup d'état in 1977, Islamist regime, facilitates intra-state conflict in Afghanistan.

Figure 2. A Snapshot of Opium Production in the Golden Triangle and Golden Crescent Regions during the 1970s and 1980s.<sup>92</sup>

	1971	1979	1980	1985	1987	1988	1989
<b>Afghanistan</b>	150-250	250-300	300	450*	400-800	700-800	585
<b>Pakistan</b>	90	500	800	40-70	190-220	190-220	130
<b>Iran</b>	N/A	270-300	400-600	200-400	200-400	200-400	300
<b>Golden Triangle</b>	700	160	225	622-722 (1984)	1095-1575	1298-1833	3050

“Golden Triangle” includes Burma, Thailand and Laos. Afghanistan’s low production figure for 1984 (160 tons) was due to a nationwide drought, which significantly affected opium yields.  
 \*Denotes approximation from UNDCP records.

Table 4. Sampling of Opium Production (metric tons) According to the U.N. Commission of Narcotics Drugs and the International Narcotics Control Board (INCB) Data.

<sup>92</sup> *The International Handbook on Drug Control*, ed. Scott B. MacDonald and Bruce Zargarias (Westport, CT: Greenwood Press, 1992); Henman, Lewis, and Maylon, *Big Deal: The Politics of the Illicit Drugs Business*; Freemantle, “*The Fix: Inside the World Drug Trade*.”

Afghanistan, while temporarily losing its traditional market share in Iran, acted quickly to fill the narcotics needs of the United States and Europe and converted their industry from merely opium production to heroin processing. The first clandestine heroin processing facility in Afghanistan is believed to have been established sometime in 1971 by a rogue German chemist who migrated to the eastern province of Nangarhar; a fertile farming area which cultivated large amounts of opium poppy and connects with Pakistan through the Khyber Pass/Torkham Pass; a historically vital trade route.<sup>93</sup> With the help of foreign chemists, Afghanistan's narcotics industry soon included morphine base extraction and heroin processing, although the crude forms of heroin were largely restricted to "number 3 heroin," also known as "heroin rocks;" pebble shaped pieces of pure heroin that is heated and its vapors inhaled.

Traditionally, smoking heroin is the most preferred method of consumption among Afghan, Iranian and Pakistani addicts. The purity level of heroin base or other types meant for smoking measures between 60% and 90%.<sup>94</sup> The much more notorious type of heroin, "China White" or "number four" heroin, (dissolved with water and injected directly into the bloodstream), is more complicated to make in clandestine field workshops and did not become prevalent in Afghanistan until much later. DEA officials have claimed that heroin-processing facilities in Afghanistan were still relatively uncommon until 1984 when approximately 40 such processing workshops were thought to be operating in Nangarhar province, some of which could produce "China White" heroin hydrochloride.<sup>95</sup> At this time, Pakistan still remained a key destination for Afghan opium to be transformed into higher grades of heroin. Traffickers routinely smuggled opium across the border to processing workshops under the protection of General Fazle Haq, then the Governor of the North West Frontier Province (NWFP). By 1988, nearly

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<sup>93</sup> MacDonald, *Drugs in Afghanistan: Opium, Outlaws and Scorpion*, 98. The first clandestine heroin lab established in Pakistan is thought to have been in 1978 by Haji Umar in Lakhro, Mohmand Agency. Asad and Harris, *The Politics and Economics of Drug Production on the Pakistan-Afghanistan Border*.

<sup>94</sup> Freemantle, *The Fix: Inside the World Drug Trade*, 176.

<sup>95</sup> Gutensohn, "International Drug Trafficking: The DEA Perspective," 37.

200 “heroin refineries” were operating in the Khyber Agency, an administrative subunit of the NWFP and an area that shared the frontier border with Afghanistan’s Nangarhar province.<sup>96</sup>

### **C. INTERNAL FACTORS THAT STIMULATED NARCOTICS PRODUCTION**

Four internal factors played an important role in the rise of opium production throughout the 1980s: the intentional destruction of Afghanistan’s agriculture infrastructure, the lack of state control throughout most of Afghanistan’s hinterlands, the high profitability of opium compared to licit crops, and Afghanistan’s comparative advantage to cultivate opium poppy due in part to the physical characteristics of opium poppy itself.

#### **1. Poppy: Comparative Advantages and Characteristics**

During the intra-state war period, Afghanistan lost one-third of its population due to conflict-initiated displacement, which led to a decrease in agricultural experts and laborers needed to maintain the production of licit crops. In turn, Afghan farmers slowly turned toward opium poppy; a hardy, nearly drought resistant crop that has a high weight to profit ratio, a high market demand, is non-perishable and does not require safe handling during transportation or refrigeration.<sup>97</sup> Importantly, opium poppy has a shorter grow-cycle than food crops like wheat, allowing farmers to double-crop with livestock fodder, such as maize following the opium harvest (typically in May). Poppy straw, the dried stalk left over after the opium has been extracted, can be recycled as home-heating fuel, saving some farmers nearly a quarter of their annual income that would have

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<sup>96</sup> Alfred W. McCoy, *The Politics of Heroin: CIA Complicity in the Global Drug Trade*, rev. ed. (New York: Lawrence Hill Books, 2003), 478.

<sup>97</sup> Lal, “Endangering the War on Terror by the War on Drugs,” 3–4. Note: Although opium is nonperishable when stored correctly, such as wrapped in plastic, leaves or kept in bags, once opium is further refined into heroin, it can spoil if not trafficked and sold quickly. Hence, heroin is never cached or stored but only produced once its owners are sure they can efficiently export the product in a timely manner, usually within a few days or weeks.

otherwise been spent on home-heating costs.<sup>98</sup> In fact, nearly all parts of the poppy plant are used. In addition to the dried straw and the opium latex extracted from the pod, poppy seeds are a standard food staple and when pressed, poppy oil can be used for cooking and soap making. Lastly, opium stores can be used as a quasi-federal reserve in areas where safe and reliable banking systems are nonexistent, like in rural Afghanistan.<sup>99</sup> Importantly, opium provides access to credit, and in some cases, land and water (irrigation access), that poor farmers would otherwise be deprived of.

Over time, the reliance on certain commodities inclined certain sub-state actors to prioritize economic incentives over cultural and religious values. The critical dilemma facing Afghan resistance leaders and their participation in the production of opium is its contradiction to Islam, which considers such intoxicants *haram* (forbidden). Some clever counter-narratives and religious justification from resistance leaders who began to dominate and monopolize opium-producing regions under their control would overcome this paradox. Mullah Nasim Akhundzada, a cleric from northern Helmand Province who became a key resistance commander for *Harakat-i-Inqelabi-Islami Afghanistan*, represents the greatest example of insurgent acceptance, alliance, and then full-fledged participation in the narcotics trade. Nasim issued a *fatwa* in 1981 legitimizing the cultivation of opium poppy and later expanded his opium empire into southern Helmand due to enhanced resources and manpower from his exuberant profits.<sup>100</sup> Those farmers who opposed his demands were allegedly tortured and some killed; and many of the khans from Helmand were expelled or murdered by his militia. Despite his assassination in 1990 by narco-rivals linked with *Hezb-i-Islami*, Nasim's Akhundzada clan went on to dominate the Helmand Valley's opium empire until the Taliban forced them out in 1995 only to have Sher Muhammad Akhundzada resume the Helmand opium dynasty following the Taliban's ouster in 2002.

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<sup>98</sup> Jonathan Goodhand, "From Holy War to Opium War? A Case Study of the Opium Economy in North Eastern Afghanistan," *Central Asian Survey* 19, no. 2 (2000): 273.

<sup>99</sup> *The World Heroin Market: Can Supply be Cut?*, 117.

<sup>100</sup> Antonio Giustozzi and Noor Ullah, "Tribes and Warlords in Southern Afghanistan, 1980–2005," *Crisis States Research Centre*, London School of Economics, Working Paper no. 7, September 2006, 11.

## 2. The Targeting of Afghanistan's Agriculture Sector

Aside from influential factors from the international heroin market, Afghanistan's increase in opium poppy cultivation itself can be directly associated with the Soviet invasion of Afghanistan on December 24, 1979 and the subsequent civil war. The onset of intrastate war coincided with the Soviet invasion, prompting a mass exodus of Afghans into Pakistan and Iran. Fierce resistance, particularly in the rural areas, provoked harsh retaliations from the Soviet military that targeted farms and orchards, harvests, and irrigation systems and canals. Soviet operations led to the destruction of one-quarter to one-third of all the irrigation systems; nearly two-thirds of all villages bombed, and livestock fell 77% between 1979 and 1989.<sup>101</sup> In addition to the Soviet's targeted destruction of agricultural infrastructure, rival *mujahedeen* factions were also responsible for mining and destroying *karez* (underground aqueducts) and above ground irrigation ditches and canals belonging to their communal or political rivals, causing a severe disruption in water distribution that forced farmers to seek out alternative high-value crops that consumed little water, like opium poppy.<sup>102</sup>

The impact of the conflict and subsequent Soviet scorched-earth operations and *mujahedeen* revenge attacks against *karez* and canals, substantially altered Afghanistan's licit agricultural output. The acreage devoted to wheat, corn, barley, rice and cotton drastically decreased between 1978 and 1983. Compared to 1978's agricultural acreage representing 100%, the average wheat acreage dropped to an astounding 50.9% by 1981, and decreased to a meager 37.2% by 1982; corn followed a similar trend while cotton dropped to 40% in 1981 and further plummeted to 15.7% by 1982.<sup>103</sup> By 1982, Afghanistan's annual rice production decreased 65%.<sup>104</sup>

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<sup>101</sup> Lal, "Endangering the War on Terror by the War on Drugs," 2.

<sup>102</sup> Nigel J. R. Allan, "Opium Production in Afghanistan and Pakistan," in *Dangerous Harvests: Drug Plants and the Transformation of Indigenous Landscapes*, ed. Michael K. Steinberg, Joseph J. Hobbs and Kent Mathewson (NY: Oxford University Press, 2004), 143.

<sup>103</sup> Yusufi, "Effects of the War on Agriculture," in *The Tragedy of Afghanistan: The Social, Cultural, and Political Impact of the Soviet Invasion*, 207.

<sup>104</sup> Ibid.

By 1987, analysts reported the devastation of Afghanistan's agricultural infrastructure. Farmers' access to agricultural inputs, such as improved seed, fertilizer, and agricultural machinery, was nearly impossible, according to Mohammad Qasim Yusufi, a former assistant professor at Kabul University.<sup>105</sup> The Soviet's scorched earth policy and the failure of the Communist regime in Kabul to nurture the farming sector led to a complete transformation of Afghanistan's agricultural infrastructure, economy, and traditional social hierarchy.

Opium production nearly doubled between 1982 (300 tons) and 1983 (575 tons), again between 1986 (350 tons) and 1987 (875 tons), and soon galvanized Afghanistan's role as a global opium producer by 1991 with the production of 1,980 tons.<sup>106</sup> It was in 1983, a relatively early juncture in the Soviet-Afghan war, that a spokesman for the U.S. Drug Enforcement Agency (DEA) ominously warned, "that the *mujahidin* were financing their struggle against the Soviets at least in partly through the sale of opium."<sup>107</sup> U.S. law enforcement officials, whose forensic labs can determine the source of origin of heroin and other opiates, concluded that 60% of the heroin reaching the United States in 1987 came from Afghanistan; 90% of Europe's heroin originated from Afghan poppies.<sup>108</sup>

### **3. Lack of State Control**

During the first phase of the conflict, (1979–1980), Afghan *mujahedeen* suffered tremendous battlefield casualties in light of superior Soviet firepower and maneuverability. The second phase of the conflict, beginning in 1980 and lasting until 1985, is characterized by the *mujahedeen's* adaptability and strategic retreat to rural environs. Factions loyal to the seven official resistance parties based in Peshawar, Pakistan established bases throughout rural Afghanistan, typically among isolated mountain ranges and in the agricultural districts of southern Afghanistan.

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<sup>105</sup> Yusufi, "Effects of the War on Agriculture," in *The Tragedy of Afghanistan: The Social, Cultural, and Political Impact of the Soviet Invasion*, 197.

<sup>106</sup> Chouvy, *Opium: Uncovering the Politics of the Poppy*, 31.

<sup>107</sup> Steinitz, "Insurgents, Terrorists and the Drug Trade."

<sup>108</sup> Freemantle, "*The Fix: Inside the World Drug Trade*, 174.

The ruralization of the conflict, and the subsequent reliance on asymmetrical warfare by the *mujahedeen*, plagued Soviet forces for the duration of the war. Despite the rise in Soviet manpower from 85,000 in 1979 to nearly 115,000 in 1984, the best the Soviet army and Democratic Republic of Afghanistan (DRA) forces could do is manage daytime control of the major population centers, urban areas, main communication links and “certain fortified strong points.”<sup>109</sup> In contrast, the *mujahedeen* resistance controlled the bulk of the Afghanistan, especially the rural environs. Soviet-Afghan war expert Anthony Arnold posits the *mujahedeen* strongly influenced or actually controlled these areas around 80–90% during the daytime and virtually 100% after dark.<sup>110</sup> A Russian General Staff Report detailing the Soviet-Afghan war, an authoritative historical account war written under the direction of Colonel Valetin Runov, admitted that the Afghan *mujahedeen* controlled “all of the main agriculture areas of the country” by 1985; Soviet and DRA forces controlled the cities and major road networks linking the cities indicative of a defensive posture.<sup>111</sup> By 1988, the Soviet army withdrew from the strategic Panjshir Valley north of Kabul and ceded or lost the entire eastern border with Pakistan to the *mujahedeen*.<sup>112</sup> The Soviets were convinced that by destroying rural villages and attacking the agricultural sector, many Afghans would gravitate toward the urban areas under Soviet and government control. This approach forced many Afghans to flee for neighboring countries, and by 1985, some 5,000,000 Afghans, or one-third of Afghanistan’s total population, were living outside the country. Remaining Afghans who chose to gravitate toward major urban hubs like Kabul caused a socio-economic conundrum for the Soviets and Afghan communists who were forced to feed this increasing number of internally displaced refugees. Due to an increase of attacks by the

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<sup>109</sup> Anthony Arnold, *Afghanistan: The Soviet Invasion in Perspective* (Stanford, CA: Hoover Institution Press, 1985), 98.

<sup>110</sup> *Ibid.*

<sup>111</sup> The Russian General Staff, transl. and ed. Lester W. Grau and Michael A. Gress, *The Soviet-Afghan War: How a Superpower Fought and Lost* (Lawrence, Kansas: University Press of Kansas, 2002), 24–25; Mohammad Yousaf and Mark Adkin, *Afghanistan: The Bear Trap: the Defeat of a Superpower* (Havertown, PA: Casemate, 2001), 45.

<sup>112</sup> Rubin, *The Fragmentation of Afghanistan*, 172.

resistance, heavy snows, and the Soviet withdraw in 1988, a critical food shortage threatened to plunge Kabul into famine. By February 1989, wheat and flour stocks in Kabul were down to a twelve-day supply.<sup>113</sup>

While focusing on securing the main lines of communications, namely the ring road that connects Kabul with the southern cities of Kandahar, Lashkar Gah, and the western city of Herat, and the Salang highway, which connected Kabul with the Soviet Union, the Afghan government and Soviet forces found it impossible to secure Afghanistan's eastern frontier with Pakistan. This area not only served as a critical base of operations for the Afghan resistance, but also acted as the key pipeline for men, firepower and later narcotics coming and going from Afghanistan. In the eastern province of Nangarhar, opium poppy had become a major agricultural crop and combat commodity for resistance factions. In between 1989 and 1992, opium poppy was cultivated in half of Nangarhar's districts while nearly 80% of Jalalabad's (provincial capital) arable land produced nothing but opium poppy, according to UN officials.<sup>114</sup> At this time, opium fetched nearly 10 times the price of wheat, and thanks to free flour donated by USAID; farmers could readily purchase cheap bread and other staple foods in town.<sup>115</sup>

#### **D. THE POLITICAL ECONOMY OF AFGHANISTAN'S NARCOTICS INDUSTRY**

Within the context of the Soviet-Afghan war and structural factors in the global supply of heroin, three types of overlapping economies emerged during the conflict and the presence of an already functioning narcotics industry. It becomes pertinent to examine the relationship between economic and political organizations within failed and fragile states or a combat setting where conflict economies inevitably become highly criminalized. The following analysis is based on Jonathan Goodhand's framework of three economic overlaps (conflict, shadow and coping), which he first introduced by

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<sup>113</sup> Rubin, *The Fragmentation of Afghanistan*, 171.

<sup>114</sup> *Ibid.*, 263–264.

<sup>115</sup> *Ibid.*

examining Afghanistan's narcotics industry during 25 years of political upheaval from 1980 to 2005.<sup>116</sup> He focused on three political time frames: "war-making, state-building, and state-collapse," while specifically examining the role of borderland areas and its effect on both intra-state conflict and illicit activity. His framework remains apt. The following analysis implements Goodhand's three-tier economic approach specifically to explain the role rise of Afghanistan's narcotics industry between 1980 and 1992 because of intrastate conflict and the international heroin market discussed at length above. Additionally, the concepts of what constitutes a conflict economy are thoroughly defined and expanded upon while Goodhand's "coping" economy is replaced with a "survival" economy framework to help explain the benefits of the drug trade to Afghanistan's agricultural actors. The purpose of this section is to define the social organization of Afghanistan's drug trade and explain what actors participated in the drug trade, how they benefited from it, and their motivations for participating in it. Lastly, this section aims to explain how Afghanistan became reliant on narcotics production between 1980 and 1992.

### **1. Conflict Economy**

The evolution of conflict economies is typically a direct result of "the decay of states and their respective governmental structures, as well as the dissolution of the state monopoly of the legitimate use of physical force, that form essential preconditions" for such conflict economies to emerge.<sup>117</sup> After Afghanistan's insurgency formulated into a nationwide revolt in 1981, violent armed political groups found themselves fighting in all of Afghanistan's 29 provinces. The United States and Saudi Arabia, in conjunction with Pakistan's government and its Inter-Service Intelligence (ISI), helped bankroll the Afghan resistance movement by providing financial assistance and later tremendous resources, such as modern weaponry, ammunition, explosives and man-portable air defense systems (MANPADS), such as the British Blow-pipe and U.S. FM-92 "Stinger missile."

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<sup>116</sup> Goodhand, "Frontiers and Wars: the Opium Economy in Afghanistan," 191–216.

<sup>117</sup> Jürgen Endres, "Profiting from War," in *Shadow Globalization, Ethnic Conflicts and New Wars: A Political Economy of Intra-State War*, ed. Dietrich Jung (NY: Routledge, 2003), 121.

Pakistan also facilitated the creation of seven state recognized and supported *tanzim* to help coordinate and unify the insurgency effort in Afghanistan and to enhance the flow of arms and money to central commands that could then disperse the funds to resistance fronts inside Afghanistan. Cronyism, greed, and graft plagued the Pakistani program, leaving large caches of supplies on the black-market and inconsistent flows of supplies to the front. Some front line commanders and mid-level leaders in Afghanistan soon turned to illicit activities for supplemental income and the opportunity to gain independence from their Peshawar-based patrons who increasingly engaged in self-indulgent infighting and preoccupied their forces with acquiring wealth and political prestige. In sum, the external funding and the allocation of lethal aid from international donors to the resistance leadership in Peshawar does not equate to its even distribution among warring militias inside Afghanistan. Secondary or supplemental avenues of income and the emergence of micro-level conflict economies surfaced despite the exuberant level of international donations pouring into the resistance at the time.

The militarization of Afghan society usurped the traditional role of tribal elders and landed elites (khans) and the village liaison to the government (*maliks*). Radical government issued land reforms, and land redistribution policies beginning in 1978 tore Afghanistan's traditional social fabric, marginalizing the *malik* and khan system; heavy fighting and scorched earth operations forced many tribal leaders and khans to leave Afghanistan along with their families. These events propelled local military commanders and the village mullahs into achieved social statuses procured from battlefield feats and religious guidance, respectively. As Giustozzi notes, the transformation of Afghanistan's social and economic structures allowed these military commanders to develop autonomous economic and social bases, essentially turning them into the "new Khans," or "Islamic Khans," in the sense of the militarized religious leaders.<sup>118</sup> Traditional dispute resolution mechanisms, such as the *jirga*, also became militarized; no longer did charisma and mediation skills mean as much as firepower, coercion, and newly found financial wealth.

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<sup>118</sup> Giustozzi, *Empires of Mud: Wars and Warlords in Afghanistan*, 34.

The power of the commanders and mullahs would transcend into territorial ownership and led to disputes over resources, smuggling routes, finances, manpower, ideology, doctrine, and tactics. The consolidation of power led to the manifestation of “mini-statelets” where commanders controlled villages, portions of districts, or in some cases, several districts at once. Since no industrial production existed, and no administrative or other services on which to impose taxes, militias began to exploit illicit activities like smuggling and trafficking along routes through their territory and in some areas collected taxes from farmers cultivating opium poppy.

By first accepting illicit activities in the areas under their control, these commanders and militias began to engage in a host of illicit activities to maintain their positions of power and enhance their means to wage warfare. As Keen posits, “economic violence is violence from which short term profit is made. Its motivation may not necessarily be purely economic. It may be encouraged or tolerated for political reasons, although ultimately it is provoked to defend economic privileges.”<sup>119</sup>

## **2. Shadow Economy**

The importance of the gray market, services provided that are fusions between licit activity and criminal enterprise, plays a major role in the efficiency and sustainment of the illicit economy. The absence of landowners in the countryside following the political and social upheaval during the Soviet-Afghan war prompted new opportunities for landless or lower class peasants. Absentee landlords would rent land to the lower strata in exchange for certain opium quotas, allowing farmers to produce food crops for their families and acquire earnings for the production of opium.

Although a key player within the conflict economy, Nasim’s actions greatly facilitated the shadow economy, which is comprised of those financially benefiting from illicit activities but whose ultimate ambitions are not necessarily the ability to wage war but to make profit. In conjunction with Nasim’s monopoly on the opium trade, he claimed in a 1987 interview to have reinvested some of his opium profits by establishing

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<sup>119</sup> David Keen, *The Economic Functions of Violence in Civil Wars* (London: Adelphi Paper no. 320, International Institute for Strategic Studies, 1998), 11.

hospitals, clinics and 40 madrassahs.<sup>120</sup> Those hired to work in and manage these facilities, whether intentionally or not, became critical components in the shadow economy.

Another important factor in the shadow economy derived from conflict and narcotics production is the transit industry. While politically weak and heavily taxed in the 1950s, the “merchant class” and transport sector rose to prominence in the 1980s and 1990s due to their close ties with resistance groups.<sup>121</sup> Although the personality most associated with developing an opium dynasty in southern Afghanistan is certainly Mullah Nasim Akhundzada, other commanders like Esmatullah Muslim, a renegade warlord who fought with the *mujahedeen* before defecting to the communist regime in 1984, controlled most of the illicit smuggling industry in Kandahar Province.<sup>122</sup> Esmatullah’s network and other transport groups established business partnerships and communal ties among the resettled Pashtuns communities in Quetta and Peshawar, while establishing connections in Dubai and many parts of India, all of which would later prove detrimental in facilitating the transnational movement of narcotics throughout the 1990s and 2000s. Similarly, some actors like businessmen and resistance leaders, invested in opium refinement workshops and clandestine heroin processing “laboratories,” which increased profits of illicit opiates between 125 and 1,000%.<sup>123</sup> The most noticeable investor among the *mujahedeen* parties at the time was Gulbuddin Hekmatyar’s *Hezb-i-Islami*, who controlled at least six heroin refinement workshops in Kho-i-Sultan (southwestern Pakistan), and who stimulated both the conflict and shadow economy at the same time.<sup>124</sup> The most negative outcome of a burgeoning shadow economy is its focus on short-term gains and lack of long-term investments within the society and infrastructure. On the other hand, actors within the shadow economy may be more inclined to support peace proposals as long as peace maintains their ability to make profits.<sup>125</sup>

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<sup>120</sup> Rubin, *The Fragmentation of Afghanistan*, 245.

<sup>121</sup> Goodhand, “Frontiers and Wars: the Opium Economy in Afghanistan,” 204.

<sup>122</sup> Giustozzi and Ullah, “Tribes and Warlords in Southern Afghanistan, 1980–2005,” 7–9.

<sup>123</sup> Henman, Lewis, and Maylon, *Big Deal: The Politics of the Illicit Drugs*, 11.

<sup>124</sup> Rubin, *The Fragmentation of Afghanistan*, 199.

<sup>125</sup> Giustozzi and Ullah, “Tribes and Warlords in Southern Afghanistan, 1980–2005,” 7–9.

### 3. Survival Economy

As Goodhand suggests, “households can be divided into those who profit (add to their asset base), those who cope (non-erosion of asset base) and those who survive at a declining level of well being (erosion of asset base).”<sup>126</sup> The overall number of households that fall into each category has changed over time given trends in fighting, access to improved seed varieties and markets, as well as environmental factors like rainfall and drought; however, it is accurate to identify the survival category as the most prominent of the three. In many instances, farmers do not stand to make great profits from cultivating opium poppy. However, opium poppy cultivation does offer several incentives for poor farmers; access to land and credit that would otherwise be unavailable, a short grow season that allows for double cropping, and an easily transportable non-perishable commodity.

Those who stand to make the most profit from opium production beings with small-scale traders and investors who front farmers’ money in advance, known as the *salaam* system, for a low market price and a certain weight quota. These traders have the option of holding opium stores and selling large quantities when the market prices are most profitable; lower-scale producers and farmers are typically forced to unload their stores of opium shortly after it is produced. The *salaam* system is one preferred by warlords and militia commanders; it fosters a strong patron client relationship and helps mobilize forces in support of the commander in times of social upheaval and conflict. *Salaam* can also lock the rural farmer into a seemingly never-ending cycle of debt and fortitude. If opium quotas are unmet, due to weather and environmental factors or a shortfall in field labor, the farmer is obliged to reschedule his payment and produce more opium the following season. Inevitably, the farmer will need to borrow more money to survive through the year, creating another borrow-debt-repay cycle reliant on environmental factors and farming capabilities. This debt cycle increases the quotas for opium production, which leads to the limiting of crop choices for many households.<sup>127</sup>

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<sup>126</sup> Goodhand, “Frontiers and Wars: the Opium Economy in Afghanistan,” 206.

<sup>127</sup> Ibid., 209.

The lack of available, viable and functioning national and local banking systems has forced Afghan farmers to rely upon local traders and investors for monetary assistance and micro-loans. The *salaam* cycle emerged during the Soviet-Afghan war from powerful militia commanders, such as Mullah Nasim, and continued late into the 1990s, largely remaining in place under the Taliban regime, and survived throughout the 2000s until market factors and international assistance helped mitigate the *salaam* system by 2007–08.

## E. CONCLUSION

With the invasion by the Soviet Union, Afghanistan endured a litany of social, economic, religious, commercial/industrial and agricultural problems. The war brought on by the Soviet invasion led to the massive disruption of agricultural production factors, such as labor force, fertilizers, irrigation access, improved seed varieties, farming machinery, and proper farming techniques and land maintenance.<sup>128</sup> The resulting militarization of Afghan society helped propel nontraditional social statuses into community leadership positions, namely the militia commander and the mullah, setting the stage for both the extension of conflict following the Soviet withdraw in 1989 and the state's ultimate collapse in 1992. The enhanced position of the mullah allowed initially for greater mobilization of forces based on Islamic rhetoric and unity, but would later inspire a new generation of war-experienced fundamentalists to appear when the Taliban emerged from “obscurity” in the spring of 1994.

The long-standing tradition of narcotics cultivation would become a key source of income for militias that exploited the survival economy established by those who stayed in Afghanistan during the period of conflict. Opportunists like smugglers, traders, traffickers, processors and chemists fulfilled key positions within the narcotics trade and benefited financially from it, creating a new era of job opportunities based on grey or black market activities. Structural changes in the global heroin market preceding the Soviet invasion and during the conflict, helped transform Afghanistan's role in the

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<sup>128</sup> Yusufi, “Effects of the War on Agriculture,” in *The Tragedy of Afghanistan: The Social, Cultural, and Political Impact of the Soviet Invasion*, 212.

international heroin trade and facilitated the fight over territory, resources, and access to the drug trade during the destructive civil war period following the collapse of the state between 1992 and 1994. According to USAID, “because of the magnitudes of the profits involved and because on the extralegal nature of their activities, the narcotics-trading enterprises almost necessarily become armed centers of parallel economic and political power.”<sup>129</sup> Simply put, the economic agendas of armed political groups and other sub-state actors, fused with quasi-political ambitions, including the domination of local territory, fueled Afghanistan’s conflict throughout the late 1980s and 1990s. Following the removal of the Taliban regime in late 2001, these underlying economic agendas have only complicated the socio-economic and political situation further. Many of the former sub-state actors are now key government officials or influential businessmen who straddle the line between criminal enterprise, formal businessmen, and politicians.

<i>Armed Polities Interaction with the Drug Trade 1980–1992</i>			
<i>What conditions influence the scope and size of the illicit narcotics industry?</i>	<i>How do government institutions react to the narcotics industry?</i>	<i>How do the four types of armed polities engage in the narcotics industry?</i>	<i>Do armed polities stand to reap more than just material gain from interaction with the narcotics trade?</i>
<b>Influencing Conditions</b>	<b>Government Reaction</b>	<b>APs Engagement Type</b>	<b>APs Benefits</b>
Soviet invasion and subsequent scorched earth operations led to a survival economy and weak central government.	Laissez-faire	Insurgent Movements-Tier 1	Insurgent Movements-monetary gain, access to smuggling routes, bartered drugs for weapons and ammunition.
Strong market demand from Iran and Pakistan.		Warlord Organizations-Tier 2	Warlord Organizations - monetary gain, patronage, territorial consolidation
Significant decrease in opium production in South East Asia.		Syndicates/Consortia-Tier 2	Syndicates/Consortia-monetary gain, territorial influence, freedom of movement
		State-Level Power Holders- N/A	N/A

Table 5. Armed Polities Interaction with the Drug Trade 1980–1992

<sup>129</sup> C. Wolters, “Rural Development and Opium Production Lessons Learned in Pakistan and Afghanistan,” *USAID* Draft memo, August 20, 1992.

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## IV. THE CIVIL WAR PERIOD AND THE RISE OF NARCO-FUNDAMENTALISM (1992–2001)

### A. INTRODUCTION

Politics, Islam and narcotics have been major components to the instability and open warfare endured by Afghanistan since the 1970s. The rise of Islamic fundamentalism and the industrialization of the narcotics industry took precedence in Afghanistan during the Soviet-Afghan war from the mid 1980s onward. Islamism and conflict fueled Afghanistan's political landscape, shaping the organizational constructs of several key opposition factions locked in combat against the Communist Afghan regime and their Soviet backers.<sup>130</sup> Although the narcotics industry helped fund the *jihād*, financial aid and lethal aid from abroad eclipsed the importance of the narcotics trade until international support came to an end following the Soviet's withdraw and the collapse of the Communist regime in 1992. With little aid trickling in, warring factions turned to illicit commodities like smuggling and the drug trade to bolster their arsenals in a fierce competition to consolidate political power during a bloody two-year civil war (1992–1994).

The rise of the puritanical Islamist Taliban movement in 1994 amidst a burgeoning drug trade in the same region (Kandahar province) provides the first possible account of an “Islamic narco-state,” or as Maley suggests, “narco-fundamentalism.”<sup>131</sup> To contextualize properly the Taliban's puzzling decision to prohibit poppy cultivation in its fifth year of power, the author conducts a historical analysis focusing on three specific periods, the Taliban's rise and consolidation of power between 1994 and 1996, the Taliban government era (1996–2000), and the Taliban's decision to outlaw the cultivation of poppy between July 2000 and September 2001.

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<sup>130</sup> The most radical of the Islamist movements in Afghanistan at the time included *Hezb-i-Islami* led by Gulbuddin Hekmatyar and *Ittehad-e Islami* led by Abdul-Rab al Rasul Sayyaf, while two clerical organizations formed under the direction of well-respected *alem*, included *Hezb-i-Islami* (Maluvi Khalis faction) and *Harakat-e Enqalab-e Islami* led by Maluvi Mohammad Nabi Mohamaddi.

<sup>131</sup> Maley, “Interpreting the Taliban,” in *Fundamentalism Reborn? Afghanistan and the Taliban*, 2–3.

Three components of contemporary Afghan politics in concert with the narcotics industry are scrutinized for the scope of this chapter: the organizational construct and origins of the fundamentalist Taliban movement, the political motivations of the group, and domestic and international political factors. An analysis of all three elements help to understand better how a conservative and puritanical Islamist movement like the Taliban encouraged and facilitated the illicit narcotics industry in Afghanistan for nearly five years and help explains why the movement finally endorsed a prohibition of poppy cultivation during the grow season of 2000.<sup>132</sup> Did the Taliban's counternarcotics program derive from the implementation of Shari'ah, which prohibits activities like drug use and production, or was the Taliban's ban as Labrousse suggests, a "pseudo-campaign;" political theater staged for the benefit of potential international donors while impacting the opium industry very little?<sup>133</sup>

## **B. 1994–1996: OPIUM, ORIGINS OF THE TALIBAN AND ITS ORGANIZATIONAL CONSTRUCT**

Since the early 1960s, Afghanistan experienced the dual rise of secularism and Islamic fundamentalism. The volatile political situation led to a series of *coups d'état* between 1978 and 1979, climaxing when the Soviet Union invaded Afghanistan on December 24, 1979. Subsequent civil wars and neglect have laid waste to the most of Afghanistan's infrastructure and economy. These conditions eroded many of Afghanistan's traditional social and tribal mechanisms, replacing the important roles held by tribal elders and *khans* (landed elites) with *tanzim* (military faction) commanders and mullahs. This shift significantly altered local power structures, militarized local dispute resolution means, such as the *shura* and *jirga* systems, and prompted many of these commanders to engage in criminal activity and drug production as a means of increasing

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<sup>132</sup> The Taliban's decision to prohibit poppy cultivation in July 2000 would have critical economic consequences for hundreds of thousands of Afghan farmers throughout southern Afghanistan as many of whom already received cash advances from drug traders for opium stocks that would be harvested in May of 2001. The system of loans, called *salaam*, was granted to Afghan farmers who grow low risk commodities like opium, prompting many poor farmers to grow poppy instead of staple cash crops like melons, wheat or berries.

<sup>133</sup> Maloney, On a Pale Horse? Conceptualizing Narcotics Production in Southern Afghanistan and its Relationship to the Narcoterror Nexus,' 203–214; Alain Labrousse, *Afghanistan: Opium de Guerre, Opium de Paix* (Paris: Mille et une Nuits, 2005), Chapter 4.

and maintaining wealth, power and influence. These commanders, especially Mullah Nasim Ahkundzada of Helmand Province, dubbed “the King of heroin,” forced local communities to produce fixed amounts of opium; those who disobeyed were often arrested, mutilated or killed by his militia faction.<sup>134</sup> The cultivation of poppy and production of opium soared during the 1980s as commanders like Nasim began to expand further and further into criminal enterprise.<sup>135</sup> Opium production nearly doubled between 1982 (300 tons) and 1983 (575 tons), again between 1986 (350 tons) and 1987 (875 tons), and soon galvanized Afghanistan’s role as a global opium producer by 1991 with the production of 1,980 tons.<sup>136</sup> Upon the Soviet withdraw from Afghanistan in 1989 and the drying up of international funding to the rebels by 1992, Afghanistan endured a bloody civil war that further destroyed the country and its infrastructure; transitioning the economy from a war economy to an entrenched narco-economy by 1993. The failure of the interim government, comprised from the seven major resistance parties, to consolidate power and govern the country led to a dark age of anarchy and chaos from 1992 to 1994.

In the spring of 1994, residents of southern Afghanistan lived in fear from marauding units of militiamen who routinely robbed, kidnapped, raped and extorted the local population. In Kandahar’s lawless western districts, rumors whirled of militiamen kidnapping two young girls and bringing them to a militia camp where they were repeatedly raped. As the legend goes, shortly after the news spread of the kidnappings, a local village cleric named Mullah Mohammad Omar Akhund led a small group of his

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<sup>134</sup> MacDonald, *Drugs in Afghanistan: Opium, Outlaws and Scorpion*, 89; Michael Griffin, *Reaping the Whirlwind Afghanistan, Al Qaeda, and the Holy War* (London: Pluto Press, 2001), 148; Rubin, *The Fragmentation of Afghanistan*, 263.

<sup>135</sup> One such rival of Nasim was Gulbulddin Hekmatyar, who led his own Hezb-i-Islami faction (HIG). HIG rivaled Nasim’s *Harakat-I Ineqelab-ye Islami* and soon turf wars and skirmishes began between the two factions in Helmand’s “poppy belt.” Nasim was ultimately assassinated in Peshawar with several of his subcommanders by suspected Hekmatyar loyalists in March 1990. Hekmatyar attempted to overtake Nasim’s drug empire as Hekmatyar himself controlled at least six heroin refineries in nearby Baluchistan. Nasim’s brother, Rasul Akhund, took over control of Helmand and thwarted Hekmatyar’s expansion. Following the Taliban’s control of Helmand 1995–2001, Rasul’s nephew, Sher Muhammad, became the governor of Helmand, serving between 2002 through 2005 until U.S. DEA officials discovered nine tons of opium at his government office. British officials pressured President Karzai into firing Sher Muhammad soon afterwards. Sher Muhammad is now a senior member of Afghanistan’s Upper House of Parliament and a major drug trafficker.

<sup>136</sup> Chouvy, *Opium: Uncovering the Politics of the Poppy*, 31.

armed *taliban* (religious students) and attacked the militia encampment, freed the two girls and killed those responsible; hanging the militia commander from a tank barrel for all to see.<sup>137</sup> Mullah Omar and his small band of fighters began to attack other criminal gangs and militia checkpoints around Kandahar City, acquiring arms and ammunition along the way. Mullah Omar's "Robin-Hood" persona swelled with each passing victory.

Among those most enthused about the increase in security were members of the affluent Pakistani trucking mafia, referred to by intelligence officials as the "Quetta Alliance," a network of Pashtun businessmen, smugglers, and criminals located in Quetta (Pakistan), a major population center 130-miles southeast of Kandahar City. In 1993, before Mullah Omar's crusade against crime began, reporter Ahmad Rashid described being stopped by various militia checkpoints at least 20 times between Quetta and Kandahar, each time paying a "transit tariff."<sup>138</sup> The trucking mafia, eager to expand commercial linkages between Pakistan and the newly independent Central Asian state of Turkmenistan, began to support the fledging Taliban movement financially. The most significant support came from Haji Bashir Noorzai, a powerful Pashtun tribal leader from Kandahar's Maiwand district and the owner of the small village mosque Mullah Omar preached at in Sangarsar village. Haji Bashir and Mullah Omar's relationship dates back to the 1980s when both men fought against the Soviet occupation under the *Hezb-i-Islami* (Khalis faction) *tanzim*.<sup>139</sup> Additionally, Haji Bashir Noorzai is the son of Issa Noorzai, who at the time played a major leadership role in the Quetta Alliance trucking and smuggling mafia.

Mullah Omar approached Haji Bashir in the summer of 1994 and related to him a vision he had in which the Prophet Muhammad told him the need to bring peace to Afghanistan, according to declassified U.S. embassy cables from Islamabad. Haji Bashir

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<sup>137</sup> Ahmed Rashid, *Taliban: Militant Islam, Oil and Fundamentalism in Central Asia* (New Haven: Yale University Press, 2001), 25.

<sup>138</sup> *Ibid.*, 14.

<sup>139</sup> Evidence exists indicating Mullah Omar fought under both Nabi Mohammadi's *Harakat-e Enqalab-e Islami* faction and Younis Khalis' *Hezb-i-Islami* where he associated with the *mahaz* led by legendary field commander Nek Mohammad (1989–1992). It was common for commanders and fighters to 'float' between *tanzim* at the time especially given the inconsistency of funding and weaponry coming from other fronts or from Pakistan.

believed Omar, and “drawing upon family resources and local business and political connections,” donated \$250,000, six pick-up trucks and an undisclosed amount of arms and ammunition to Omar and his militia.<sup>140</sup> Following the logistical and financial support, Mullah Omar’s militia swelled to 200 men and they soon controlled the Maiwand district and took over the local government administration. Maiwand is a historic poppy producing district and the stronghold of Haji Bashir Noorzai, whose kinship dominated the region’s poppy farming, trading and trafficking network for generations. The relationship between Haji Bashir Noorzai and Mullah Omar remained strong throughout the 1990s.

Bashir maintained a heavy influence on Mullah Omar’s *majlis-shura*, of which according to former classified U.S. documents; Bashir was also a founding and participating member.<sup>141</sup> Also pertinent to note is that Haji Bashir’s influence and financial support for Omar and the Taliban predates the state sponsorship offered to the Taliban by Pakistani military and intelligence services, which occurred in October 1994 when the Pakistani Frontier Corps helped the Taliban attack the Spin Boldak armory held by Gulbuddin Hekmatyar’s *Hezb-i-Islami* militia, and was galvanized in early November when the Taliban helped free a captured Pakistani government convoy from the clutches of two warlords holed up at Kandahar airfield.<sup>142</sup>

The Taliban’s relationship with powerful drug lords like Haji Bashir bolstered the movement’s “central treasury” and helped stuff the Taliban war chest during the major offensives launched against Herat in the spring of 1995. Other early supporters of the Taliban include Ghaffar Akhundzada, a second-generation drug lord and the nephew of Mullah Nasim Akhundzada, Helmand’s notorious “King of Heroin.” Although Ghaffar

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<sup>140</sup>“Finally a talkative Talib: Origins and Membership of the Religious Student’s Movement,” U.S. Embassy (Islamabad) cable, February 20, 1995; *Taliban File*, ed. Ghandi, National Security Archives, George Washington University, 6.

<sup>141</sup> *Ibid.*, 9.

<sup>142</sup> *Ibid.*, 6–8; Rashid, *Taliban: Militant Islam, Oil and Fundamentalism in Central Asia*, 27–29; Anthony Davis, “How the Taliban Became a Military Force,” in *Fundamentalism Reborn? Afghanistan and the Taliban*, ed. William Maley (NY: New York University Press, 1998), 44–49. Note: Before the airport convoy debacle, the Pakistani government had attempted to negotiate with various warlords including the “Kandahar Airport *shura*” independent of the Taliban, an indication the Pakistani government did not yet fully (politically) support the Taliban movement.

later turned on the Taliban after trying to disarm him as it moved into the Helmand Valley, another influential drug trafficker began to support the Taliban financially by 1998. His name is Haji Juma Khan, a mysterious Brahui tribesman from southwestern Nimroz province. He eventually managed a \$1 billion drug enterprise between southern Afghanistan and his criminal empire in Sharjah, United Arab Emirates, earning himself the moniker “Afghanistan’s Pablo Escobar.” According to senior U.S. officials, Haji Juma Khan became the Taliban’s number three man before the movement’s collapse in October 2001.<sup>143</sup> Khan became even more influential during the Taliban’s rebound in 2003, supporting Taliban and al Qaeda fugitives in Pakistan with money, arms and explosives. He and his militia of 1,500 controlled large swaths of ungoverned territory in southwestern Afghanistan, posing as Taliban fighters and attacking government officials who interfered or threatened their drug business. In short, it is clear extremely powerful drug traffickers helped financially support the Taliban movement since its inception, providing weapons, vehicles, money and volunteers to help control territory and secure the roadways; a mutually beneficial relationship that continues to exist.

In September 1996, the Taliban succeeded in conquering more than half of Afghanistan’s territory and secured the capital of Kabul. “In these circumstances, the [drug] problem [in Afghanistan] can be dealt with in ten years,” Giovanni Qauglia, the United Nation’s Drug Control Programme (UNDCP) director for Pakistan, declared shortly after the Taliban seized Kabul.<sup>144</sup> Some experts imply the Taliban simply “inherited” the problem of a burgeoning narcotics industry and if given time, resources, and support, the religious movement could have ended Afghanistan’s addiction to its narco-economy.<sup>145</sup> Three overpowering reasons exist as to why this assumption fails to explain properly the Taliban’s involvement in the narcotics industry. This first is that the Taliban’s initial supporters, both political and financial, were powerful Pakistani trucking mafia syndicates (the “Quetta Alliance”) and Haji Bashir Noorzai, a prolific Afghan drug trader and son of Quetta Alliance leader Issa Noorzai. The second is that the opium trade

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<sup>143</sup> Peters, *Seeds of Terror: How Heroin is Bankrolling the Taliban and Al Qaeda*, 145, 150.

<sup>144</sup> Vanda Felbab-Brown, “Kicking the Opium Habit? Afghanistan’s Drug Economy and Politics since the 1980s,” *Conflict, Security & Development* 6, no. 2 (2006): 136–137.

<sup>145</sup> Chouvy, *Opium: Uncovering the Politics of the Poppy*, 48.

filled the Taliban's war chest and helped them launch major military offensives early on in Herat (1995). The third is that the Taliban quickly realized they could not end poppy cultivation for fear of losing significant political capital; entirely too many Afghans relied on the narcotics industry for poverty alleviation and food security. In fact, the decision to ban poppy in 2000, a time of serious drought, amounted to political and economic suicide. Leading up to the ban, Taliban leaders accurately stated any attempts to ban poppy cultivation would have dire consequences among their rural support networks and destroy hundreds of thousands of livelihoods.<sup>146</sup> Between 1996 and 2000, the Taliban took careful steps to strengthen, if not fully encourage, the production of poppy and the refinement of heroin of which they took generous cuts of by imposing Islamic "taxes" on both.

### **C. 1997–2000: STREAMLINING OPIUM PRODUCTION AND HEROIN PROCESSING**

In 1994 and 1997, the Taliban issued statements outlawing the processing of heroin, but in practice, the Taliban rarely intervened against heroin production.<sup>147</sup> The Taliban began its participation in the drug industry by first accepting and then taxing poppy farmers at the farm-gate; slowly expanding its taxation to those who transported the opium and to those who operated heroin processing facilities. Taliban officials justified their allowance of poppy cultivation largely through Islamic justification or plain ignorance; some officials saw no difference between the taxing of wheat and the taxing of poppy. Most of the confusion emanated from the Taliban's lack of understanding of opium, which they saw as a vice of non-Muslims and non-Afghans. "Opium [production] is permissible because it is consumed by *kaffirs* (unbelievers) in the West and not by Afghans and Muslims," the Taliban counter-narcotics chief famously told reporters in 1997.<sup>148</sup> The usage of hashish, however, was strictly forbidden by the Taliban beginning

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<sup>146</sup> Jeffery Bartholet and Steve Levine, "Holy Men of Heroin," *Newsweek*, November 28, 1999; Rashid, *Taliban: Militant Islam, Oil and Fundamentalism in Central Asia*, 118; Donor Assessment Mission to Afghanistan "The Impact of the Taliban Prohibition on Opium Poppy Cultivation in Afghanistan," May 25, 2001.

<sup>147</sup> See Appendix A.

<sup>148</sup> Rashid, *Taliban: Militant Islam, Oil and Fundamentalism in Central Asia*, 118.

in 1994; considered a “vice among Afghans,” and remained so until its ouster in 2001. Those caught consuming, cultivating or trafficking hashish were often subjected to severe beating, water torture and imprisonment.

Afghanistan has produced opium on an upward trajectory since the early 1980s, but the refinement of opium into heroin, which results in far higher profit margins, traditionally occurred in lawless areas of Pakistan, Iran and Turkey. This changed in 1995 after the Pakistani military launched a narcotics offensive across the Federally Administered Tribal Area, closing down many of the clandestine refinement labs, some 200 of which were thought to be operational in Khyber Agency alone.<sup>149</sup> The crackdown resulted in the industry being pushed over the Afghan border where neighboring tribes filled the production gaps in districts like Shinwar and Achin.

During the Taliban’s reign of power from 1996–2001, heroin-processing labs operated at full capacity throughout Afghanistan in areas under and outside the control of the Taliban. Afghanistan’s northeastern region and certain districts in Nangarhar were largely outside the control of the Taliban government throughout its time in power. Heroin processing that shifted from Pakistan’s tribal region found a logical home in eastern Nangarhar province, an area that lies adjacent to Pakistan’s Khyber Agency. The Shinwari and Afridi tribes comprise a majority of the population on both sides of the border and both tribes have deeply entrenched network ties with smuggling and drug trafficking syndicates dating back to Afghanistan’s first heroin processing lab in Nangarhar’s Shinwar district in 1971.<sup>150</sup> Heroin processing also occurred in northeastern Badakhshan province, an area held by Ahmad Shah Massoud’s anti-Taliban *Shura-ye nazar* (council of supervision) at the time.

In 1996, heroin-processing workshops continued to operate without interference in areas directly under Taliban control in Kandahar, Helmand and Nimroz despite an earlier Taliban decree outlawing the processing of heroin.<sup>151</sup> The fact that heroin

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<sup>149</sup> MacDonald, *Drugs in Afghanistan: Opium, Outlaws and Scorpion*, 87.

<sup>150</sup> *Ibid.*, 98.

<sup>151</sup> Michael Griffin, *Reaping the Whirlwind*, 129.

production occurred in areas under and outside the control of the Taliban is reflective of the lack of political stability during the Taliban's rise to power between 1994 and 1997. In 1998, information obtained by the Australian Federal Police liaison officer in Islamabad found the Taliban created official government licenses that permitted the cultivation of poppy and the production of opium, an indication the Taliban attempted to regulate the industry.<sup>152</sup> According to numerous farmers in southern Afghanistan, a year prior to the Australian Federal Police findings, the Taliban distributed fertilizer to help enhance the growth of poppy and increase its opium output.<sup>153</sup>

The Taliban collected tax on the cultivation of poppy, but also on the production of opium from both the traders and the traffickers, justifying its involvement in the industry by labeling the tax in religious terms. Initially, the Taliban collected *zakat*, a traditional 2.5% from an individual's earnings, but this varied wildly depending on the region and commanders involved. Additionally, the traditional Islamic tithe of agricultural products, called *ushr*, prompted the Taliban to collect 10% of a farmer's overall output. As Rashid notes, "by taxing both opium production and trafficking, the Taliban became the first Afghan government to tax agriculture, which no previous regime had had the capacity to do."<sup>154</sup> Asa Hutchinson, the U.S. Drug Enforcement Agency's Director in 2002, revealed the Taliban kept elaborate ledger and tax receipt forms, again suggesting the Taliban government played a direct role in attempting to regulate the industry.<sup>155</sup> Similar to Hutchinson's claims, American journalists obtained similar tax receipts in 1999 during a report on the drug industry in eastern Afghanistan.<sup>156</sup>

Despite tough talk from Taliban officials at the time regarding the prohibition of heroin production, the Taliban charged a tax to those in charge of refining opium into

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<sup>152</sup>"Heroin and Cocaine—A Global Threat," *Jane's Intelligence Review*, June 1, 1998.

<sup>153</sup> Andrew Meier, "Afghanistan's Drug Trade," *Muslim Politics Report, Council on Foreign Relations* (1997): 4–5.

<sup>154</sup> Ahmed Rashid, *Descent into Chaos: The United States and the Failure of Nation Building in Pakistan, Afghanistan and Central Asia* (New York: Viking Books, 2008), 320.

<sup>155</sup> Asa Hutchinson, "Statement before the House Government Reform Committee, Subcommittee on Criminal Justice, Drug Policy, and Human Resources," U.S. House of Representatives, October 3, 2001.

<sup>156</sup> Bartholet and Levine, "The Holy Men of Heroin."

higher grades of heroin. According to Zuber, an Afghan “chemist” who helped refine opium into heroin at a workshop in eastern Nangarhar province, the Taliban taxed the production of morphine base and heroin in 1999; charging \$55 per kilogram of finished product.<sup>157</sup> McCoy also notes that at the time, the Taliban accepted the operation of dozens of heroin processing workshops in Nangarhar and were paid \$70 per kilogram of heroin. The Taliban also extended its tax to those who trafficked narcotics. According to a former top secret document obtained from the U.S. government published in 1998, the son of a key “Quetta Alliance” member paid the Taliban \$230 for each kilogram of either heroin or morphine base being exported through the Jalalabad (Nangarhar) or Qandahar airports.”<sup>158</sup> The document also indicates that during March 1998, Taliban leadership instructed its officials in several provinces to help increase poppy cultivation and encourage the production of opium. Six new “heroin-processing laboratories” were established in Taliban controlled areas (Helmand, Kandahar, Uruzgan). Twenty-nine such labs were said to have been functional in Helmand alone, up from 23 in February of 1998, and an additional 28 were said to be operational in eastern Nangarhar, also under “Taliban control” although details of the locations of these labs were not disclosed.

Again, McCoy suggests that in 1998, the Taliban’s biggest contribution to the drug industry rested in the facilitation and acceptance of heroin processing sites, of which some 200 “kitchens” existed in Nangarhar alone.

In February 1999, the Taliban made headlines when the movement sent militia fighters on a seek-and-destroy mission in Nangarhar to wipe out clandestine heroin refinement factories. The Taliban’s counternarcotics efforts shut down 34 processing sites in the presence of foreign observers and 25 in Helmand the following year, although officials present during the operation suggest the Taliban’s operation was staged.<sup>159</sup> Similarly, the Taliban’s small-scale eradication efforts in three districts in Kandahar resulted in the destruction of 325 hectares cultivated with poppy, a drop in the bucket for

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<sup>157</sup> Barthelet and Levine, “The Holy Men of Heroin.”

<sup>158</sup> A document released in 2004 to the National Security Archive, Washington, D.C.; the document has not been assigned to a collection yet. The identity of the individual paying this tax to the Taliban is most likely Haji Bashir Noorzai.

<sup>159</sup> MacDonald, *Drugs in Afghanistan: Opium, Outlaws and Scorpion*, 80.

a region that contained 5,602 hectares dedicated to poppy cultivation that year.<sup>160</sup> These measures constitute what Alain Labrousse calls the Taliban’s counternarcotics “pseudo campaign;” political theater staged for the benefit of potential international donors and the UN while impacting the opium industry very little.<sup>161</sup>

#### **D. THE TALIBAN’S OPIUM PROHIBITION: JULY 2000–OCTOBER 2001**

On July 27, Mullah Mohammad Omar issued a *fatwa* outlawing the cultivation of opium poppy. On the surface, the 2000 prohibition seems to support some aspects of the assumption that the Taliban ended drug production based on Islamic principles. There were several previous bans on opium cultivation, but without the religious endorsement in Omar’s July *fatwa*.<sup>162</sup> However, the prohibition is often widely misinterpreted and distorted; UN officials at the time even called it “one of the most remarkable successes ever,” despite the fact that the ban systematically destroyed the rural economy; significantly impacting millions of Afghans by increasing poverty rates and indebtedness.<sup>163</sup>

If the Taliban government actively encouraged the cultivation of poppy, what can explain Mullah Omar’s decision to prohibit the cultivation of poppy in the summer of 2000, two months after most farmers already received advance loans to cover their winter living expenditures in exchange for a fixed quota of opium production, a traditional Afghan micro-loan system known as *salaam*? Farrell and Thorne’s seminal report on the Taliban’s opium ban posits three key factors influenced Omar’s decision.<sup>164</sup> First, the UNDCP were able to “establish trust and influence with the Taliban” following a high

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<sup>160</sup> Alfred W. McCoy, *The Politics of Heroin: CIA Complicity in the International Drug Trade*, rev. ed. (Chicago: Lawrence Hill Books, 2003), 509.

<sup>161</sup> Maloney, ‘On a Pale Horse? Conceptualizing Narcotics Production in Southern Afghanistan and its Relationship to the Narcoterror Nexus,’ 203–214; Labrousse, *Afghanistan: Opium de Guerre, Opium de Paix*, Chapter 4.

<sup>162</sup> See Appendix A.

<sup>163</sup> David Mansfield and Adam Pain, “Counter-Narcotics in Afghanistan: The Failure of Success?” *Afghan Research and Evaluation Unit* (December 2008): 5.

<sup>164</sup> Graham Farrell and John Thorne, “Where Have All the Flowers Gone?: Evaluation of the Taliban Crackdown against Opium Poppy Cultivation in Afghanistan,” *The International Journal of Drug Policy* 16 (2005): 81–91.

profile meeting between both sides in March 1999. Second, the UNDCP was able to leverage the Taliban's fundamentalist approach to drug-control by playing upon its religious rigidity. Lastly, the UNDCP exploited the wounded ego of Mullah Omar whose pledge in September 1999 to reduce opium output by one-third went ignored by most Afghans. Although Farrell and Thorne's approach is commendable, their arguments fail to consider the broader economic conditions facing Afghanistan and Pakistan, the Taliban's biggest patron at the time. A more complete explanation can be achieved by examining the economic conditions facing the Taliban government and its main benefactors at the time.

Beginning in 1998, financial aid to the Taliban began to dry up from two of its primary sources: donations from the Arab Gulf and from the Government of Pakistan. After Pakistan tested nuclear weapons in May 1998, the international community imposed severe economic sanctions against Pakistan, which seriously impacted its economy. Following the August 1998 twin-bombings of the U.S. embassies in eastern Africa and the Taliban's refusal to extradite Osama bin Laden from Kandahar, the Saudi government cracked down on funding flowing to the Taliban from within its borders, although the measures failed to curb the money flowing out of Dubai.

According to recently declassified U.S. documents, the Taliban faced an acute financial shortage in 1999. The report paints a picture of disgruntled unpaid Taliban commanders who found it difficult to procure small arms ammunition, rockets, and the batteries used for their wireless communication radios.<sup>165</sup> Some Taliban commanders, distraught over the lack of income, defected to *Jamiat-Islami* (part of the Northern Alliance) in northern Baghlan and Kunduz provinces, the front line between the Taliban and Massoud's opposition forces at the time. The economic relationship between Pakistan and the Taliban remained markedly different in 1999 compared to past years. In 1998, Pakistan's Coordination Committee, a secret entity tasked with maintaining the Taliban's war effort, provided a payment of \$6 million over a six-month period beginning

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<sup>165</sup> Pakistan: "The Taliban's Godfather"? Ed. Barbara Elias, National Security Archive, George Washington University, Document 32, (Islamabad cable).

in July.<sup>166</sup> By February 1999, Pakistan's Coordination Committee paid less than a million dollars to the Taliban every few months; the sanctions against Pakistan in 1998 were blamed for the decrease in payments.<sup>167</sup>

On July 6, 1999, President Bill Clinton signed Executive Order 13129 imposing a ban on economic transactions between the Taliban and the American government. The decrease in aid from Pakistan along with the U.S. embargo and the constant state of war strained the Taliban government considerably. By April 2000, the Taliban was forced to issue a 40% cut in staff, leaving only 130,000 personnel with official government positions.<sup>168</sup> Despite a short exodus of aid workers in 1998, the Taliban government had become dependent on the support offered by NGOs whether they wanted to or not. In 1998, NGOs were responsible for spending \$113 million in Afghanistan and provided enough work for approximately 25,000 Afghans.<sup>169</sup> By September 2000, nearly 70% of Afghans were unemployed, but given the 350 man-days that would have been required to harvest the 91,000 hectares of poppy cultivated in 1999, opium may have provided half of Afghanistan's employment between 1999 and 2000.<sup>170</sup>

In contrast to the inconsistent funding from the Gulf and Pakistan, the Taliban was making between \$25 and \$75 million just on the *ushr* and *zakat* collected from opium poppy farmers and traffickers in 1999, although these remain approximate estimates. It is reasonable to believe the Taliban's opium ban does not solely derive from short-term economic motivations, but it cannot be completely discounted. The Taliban faced a growing crisis as state infrastructure remained mostly destroyed and development projects ceased by 2000. Afghanistan's drought experienced in 2000 made the prohibition of opium even more difficult for Afghan farmers to cope with as licit crops like wheat and vegetables consume twice the amount of water needed the much more weather-resistant *papaver somniferum* (opium poppy) does; not to mention the meager profits

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<sup>166</sup> Pakistan: "The Taliban's Godfather?"

<sup>167</sup> Ibid.

<sup>168</sup> Gilles Dorransoro, *Revolution Unending: Afghanistan, 1979 to the Present* (NY: Columbia University, 2005), 282.

<sup>169</sup> Ibid.

<sup>170</sup> McCoy, *The Politics of Heroin*, 506–507.

turned with licit crops versus opium. As Brown suggests, the Taliban was “balancing its domestic popular legitimacy with its international legitimacy as well as its political gains from the illicit economy with its financial profits.”<sup>171</sup>

## E. CONCLUSION

Rising from the ashes of a devastating two-year civil war, the advent of the puritanical Islamist Taliban movement in 1994 and its subsequent domination of the country between 1996 and 2001, initially led many international actors to believe Afghanistan’s narcotics conundrum would end swiftly given the Taliban’s rigid and draconian interpretation of Shari’ah (Islamic Law). Soon after the Taliban seized Kabul in 1996, Giovanni Qauglia, the United Nation’s Drug Control Programme (UNDCP) director for Pakistan, declared, “in these circumstances, the [drug] problem [in Afghanistan] can be dealt with in ten years.”<sup>172</sup> In reality, the Taliban did little to discourage poppy cultivation until the summer of 2000 when the Taliban’s Supreme Leader, Mullah Mohammad Omar Akhund, deemed poppy cultivation “un-Islamic” and implemented a nationwide ban, prompting UN officials at the time to label the ban “one of the most remarkable successes ever.”<sup>173</sup>

Given the post war-context, conflict-economics and poverty, not Islamism or government type, needs to be further contextualized. The harvesting of poppies increased substantially during the Soviet occupation of Afghanistan and the destruction of its licit agrarian economy first mutated Afghanistan’s society into a war economy, then a narcotics economy. Following the end of international support and to the resistance movements in 1992 and the subsequent civil war, poppy cultivation and opium production funded all sides of the conflict and provided a livelihood to more than half of the devastated nation long abandoned by the international community.

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<sup>171</sup> Felbab-Brown, “Kicking the Opium Habit? Afghanistan’s Drug Economy and Politics since the 1980s,” 140.

<sup>172</sup> Griffin, *Reaping the Whirlwind Afghanistan*, 127.

<sup>173</sup> Mansfield and Pain, “Counter-Narcotics in Afghanistan: The Failure of Success?,” 5.

Given the post-occupation circumstances, opium fulfilled a critical financial need for a majority of Afghans, especially following the Soviet withdrawal and the collapse of the central government in 1992. Adam Pain has suggested that opium has served as the best “cash transfer” in Afghanistan, doing more to “reduce income poverty and assure food security than anything else on offer.”<sup>174</sup> This continues to be an accurate assessment. As late as 2007, farmers in eastern Nangarhar province sold off personal possessions, gold, opium stocks, and in some cases, their young daughters, just to maintain a livelihood throughout the winter months. Current counternarcotics programs, such as forced eradication programs, have caused further instability and increased poverty levels among rural farmers. Alternative livelihood programs, as well as crop substitution schemes and international assistance, has been poorly implemented and negligibly managed, creating the same sort of vacuum that forces poor and starving communities to grow poppy in the first place. Lastly, the current insecure climate and political instability has led to a far more serious problem than just insurgent and anti-government factions participating and supporting the narcotics industry.

Arguably, government complicity and corruption may be the most damaging aspect of the narcotics penetration of Afghan society. As this report intended to examine, the Taliban government between 1996 and 2001 inherited and accepted the narcotics industry despite the conflict of interest with the movement’s deeply religious principles. The Taliban can be faulted for encouraging and facilitating the industry for five years before inhumanely destroying the nation’s economy; damage from which the country has yet to recover. In essence, the Taliban-era government is no different from the current regime that is equally as engaged in the drug industry. The narcotics industry’s tentacles reach deep into the central government, including the Interior Ministry whose task is to help curb the drug problem, as well as the President’s own inner-circle, his own brother accused of providing political protection to various trafficking networks. Opium production has caused “the rise of a ‘shadow state,’ where the distinction between using official position for the public good and private gain merges,” a description that easily

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<sup>174</sup> Adam Pain, “Afghanistan’s Opium Poppy Economy,” *Middle East Institute Viewpoints: Afghanistan, 1979–2009: In the Grip of Conflict* (December 2009): 134.

describes the Taliban-era government as well.<sup>175</sup> Much like the insurgency and the role of its actors in the drug industry, the government’s own involvement is simply a resource that has been opportunistically used.

<i>Armed Polities Interaction with the Drug Trade 1992–2001</i>			
<i>What conditions influence the scope and size of the illicit narcotics industry?</i>	<i>How do government institutions react to the narcotics industry?</i>	<i>How do the four types of armed polities engage in the narcotics industry?</i>	<i>Do armed polities stand to reap more than just material gain from interaction with the narcotics trade?</i>
<b>Influencing Conditions</b>	<b>Government Reaction</b>	<b>APs Engagement Type</b>	<b>APs Benefits</b>
Soviet invasion and subsequent scorched earth operations led to a survival economy and weak central government.	Laissez-faire, Facilitation, Prohibition	Insurgent Movements-Tier 2	Insurgent Movements-monetary gain, access to smuggling routes, freedom of action.
Strong market demand from Iran and Pakistan.		Warlord Organizations-Tier 2	Warlord Organizations - monetary gain, patronage, access to smuggling routes, freedom of action, territorial expansion and influence.
Significant decrease in opium production in South East Asia.		Syndicates/Consortia-Tier 2–3	Syndicates/Consortia-monetary gain, territorial influence.
		State-Level Power Holders (Taliban)- 2	State-Level Power Holders (Taliban)-monetary gain, patronage, social control, social capital, market consolidation and domination.

Table 6. Armed Polities Interaction with the Drug Trade 1992–2001

<sup>175</sup> Pain, “Afghanistan’s Opium Poppy Economy,” 135.

## V. POST-TALIBAN AFGHANISTAN: EMERGENCE OF A NARCO-STATE 2001–2010

On October 7, 2001, the United States led a massive aerial attack against Afghanistan and the Taliban military regime. By late December, the Taliban conceded its last stronghold in southern Afghanistan and “strategically retreated” to various safe-havens in neighboring Pakistan to reconstitute and prepare to launch a protracted guerilla warfare campaign against the newly emplaced Afghan interim government and its international allies. Analysts at the time did not readily understand that the October attack coincided with Afghanistan’s traditional opium poppy planting season, which begins in late September and ends in mid-October. October also marked the tail end of the Taliban’s economically disastrous 14-month opium ban, a social experiment that left thousands of rural farmers and their families deeply in debt. Protracted drought conditions exasperated the situation and made it even more challenging for farmers to switch from a drought-resistance cash crop like poppy to alternative water-reliant food crops like wheat.

Whether reports of the Taliban rescinding the opium ban three weeks prior to the U.S. led attack in 2001 are accurate or not, Afghan farmers desperate to repay their financial debts and survive throughout the winter once again planted opium throughout the poppy belt in southern and eastern Afghanistan resulting in a bumper crop during the spring harvest in 2002 with an estimated 3,400 tons of opium produced. The U.S. military force in Afghanistan made it clear early on, that interdiction and eradication were not essential parts of U.S. military plans for Afghanistan; a military spokesman commented in 2002, “we’re not a drug task force. That’s not part of our mission.”<sup>176</sup>

Following the Taliban’s ouster, the drug industry rebounded immediately, but in 2006, Afghanistan’s burgeoning drug industry reached unprecedented new heights when over 8,200 metric tons of opium was produced; breaking international records. This chapter examines various explanatory factors that led to the resurgence and subsequent

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<sup>176</sup> Tim McGirk, “Drugs? What Drugs?” *Time*, August 18, 2003.

strengthening of the narcotics industry and identifies the types of participation and exploitation of the drug trade by various actors, namely the Taliban, but compares the Taliban's participation against criminal syndicates/consortia, warlord organizations, and the state-level power holders. This period marks an interesting transition for the Taliban, namely because of its reversion from a state-actor to a hybrid-revolutionary movement-cum-criminal consortium. The following analysis will examine how the Taliban reemerged alongside a burgeoning narcotics industry, the failure of the international community to curb both narcotics production and Taliban expansion, and how each organization participates and benefits from the narcotics trade while providing an overview of Afghanistan's contemporary narco-political economy.

#### **A. 2002–2007: RESURGENT NARCOTICS INDUSTRY**

In January 2002, the Afghan Interim Administration (AIA) announced that opium production was illegal and unIslamic, and therefore, reissued the prohibition of opium poppy cultivation.<sup>177</sup> Under the same legislation, the AIA also prohibited the processing, trafficking and consumption of opium and its variants; although enforcing the edict became almost impossible as the new government lacked the capabilities to project its power outside Afghanistan's few major population centers.<sup>178</sup> The processing of opium into morphine base and refined heroin became apparent almost immediately, and traditional drug processing sites in eastern Afghanistan were producing up to \$600,000 worth of heroin a week, or 70–100 kilograms a week.<sup>179</sup> The increase in production coincided with the British government's \$30 million counter-narcotics strategy for Afghanistan, which financially led the international community's anti-drug effort in Afghanistan at the time. The British-led eradication program helped destroy 16,500 hectares of poppy fields, out of an estimated 80,000ha planted for the 2002 harvest.<sup>180</sup> Additionally, international efforts did little to curb the rising influence of powerful narco-

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<sup>177</sup> Maloney. 'On a Pale Horse? Conceptualizing Narcotics Production in Southern Afghanistan and its Relationship to the Narcoterror Nexus,' 208.

<sup>178</sup> Ibid.; Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs*, 133.

<sup>179</sup> Jason Burke, "Afghan Drug Lords Set Up Heroin Labs," *Guardian*, August 11, 2002.

<sup>180</sup> Ibid.

connected warlords and commanders, in fact, U.S. policy even strengthened some of these personalities to help engage in counter-terrorism missions aimed at eliminating high-value al Qaeda and Taliban leaders.<sup>181</sup>

Afghanistan soon found itself on a precipice, facing a multitude of challenges and obstacles to achieving acceptable levels of political and social stability and security. As Shaw notes, Afghanistan faced “the challenge of whether legitimate state formation and economic growth [would] be subverted by the expansion and consolidation of the illicit economy.”<sup>182</sup> Rubin also came to a similar conclusion during the final year of the Taliban rule of Afghanistan:

Ending war in Afghanistan might transform the criminalized war economy into an even faster-expanding criminalized peace economy. Whoever rules Afghanistan, the incentives for misgovernment are nearly irresistible.<sup>183</sup>

In short, several overlapping factors helped facilitate the resurgence in Afghan narcotics production between 2002 and 2005: economic, environmental, political, physical (infrastructure) and the presence of an entrenched illicit market structure built over the past 20 years, which became enhanced by the criminalization of Afghanistan’s long-time war economy.

Several environmental factors contributed to the reliance on poppy production beginning in 1998, namely a severe drought. The devastating drought, sometimes referred locally as “Mullah Omar’s drought,” ravaged Afghanistan’s agricultural sector between 1998 and 2005 causing many legal crops like wheat and fruits to fail while weather

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<sup>181</sup> The U.S. appointed leader of Afghanistan facilitated such cooperation by appointing a litany of anti-Taliban commanders in powerful positions, such as governors of security chiefs. See Peters, *Seeds of Terror: How Heroin is Bankrolling the Taliban and Al Qaeda*, 106–107.

<sup>182</sup> Mark Shaw, “Drug Trafficking and the Development of Organized Crime in Post-Taliban Afghanistan,” in *Afghanistan’s Drug Industry: Structure, Functioning, Dynamics and Implications for Counter-Narcotics Policy*, ed. Doris Buddenberg and William A. Byrd (UNODC/World Bank, 2006), 189. In 2003, Afghan farmers cultivated 80,000 hectares of opium poppy, up from 74,000 hectares in 2002, and nearly the same amount (83,000ha) as 2000’s final opium season under the Taliban regime.

<sup>183</sup> Barnett Rubin, “The Political Economy of War and Peace in Afghanistan,” *World Development* 28, no. 10 (2000): 1799.

resistant cash crops like poppy became a more feasible choice for desperate farmers.<sup>184</sup> Eventually, poppy cultivation and opium itself became a necessary precondition for the rural economies to function. U.S. counter-insurgency specialists advised against the militarily imposing forced eradication measures as these measures would undoubtedly force farmers and families to oppose the government and that the Taliban would exploit these grievances. Despite international military reservations, the U.S. DEA, U.S. State Department and the British government “tried to influence the AIA into conducting eradication measures.”<sup>185</sup>

The small number of U.S. and allied international forces in Afghanistan took a *laissez-faire* approach and even released a number of high value drug traffickers known to law enforcement authorities because at the time the U.S. Defense Department “didn’t do counter-narcotics.”<sup>186</sup> For instance, as author James Risen notes, the U.S. military’s policy in Afghanistan states that if American soldiers discover illegal drugs they “could” destroy them, which is “very different from issuing firm rules stating that U.S. forces must destroy any drugs discovered.”<sup>187</sup> In 2006, Lt. General Eikenberry, then commander all U.S. forces in Afghanistan, made it clear that “drugs were not a priority of the U.S. military in Afghanistan,” a strategic decision that prompted General Freakley, then commander of all U.S. forces in eastern Afghanistan, to shut down all operations by the

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<sup>184</sup> Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs*, 133. Afghans initially blamed the drought on Mullah Omar as it coincided when he unveiled the mystical cloak of the Prophet Mohammad, which he handled in front of thousands of Afghan citizens during his “inauguration” as “The Commander of the Faithful,” or the Taliban’s Supreme Commander.

<sup>185</sup> Maloney, ‘On a Pale Horse? Conceptualizing Narcotics Production in Southern Afghanistan and its Relationship to the Narcoterror Nexus,’ 208.

<sup>186</sup> Both Hajji Juma Khan and Hajji Bashir Noorzai were apprehended by U.S. forces in separate raids in Kandahar province and released in late December 2001. According to some reports, at least one U.S. Green Berets officer was “specifically ordered not to ignore heroin and opium when he and his unit discovered them on patrol.” Tim McGirk, “Terrorism’s Harvest,” *Time Asia Magazine*, August 9, 2004; “Afghanistan’s Narco War: Breaking the Link Between Drug Traffickers and Insurgents,” Committee on Foreign Relations Report, August 10, 2009.

<sup>187</sup> James Risen, *State of War: The Secret History of the CIA and the Bush Administration* (New York: Free Press, 2006), 152–162.

D.E.A. and Afghan counter-narcotics police in Nangarhar Province, one of three key heroin processing location in the country.<sup>188</sup> General Freakley specified that antidrug operations were “an unnecessary obstacle to his military operations.”

In addition to the inconsistencies with U.S. and international policy regarding Afghanistan’s narcotics industry, internal socio-economic factors, such as extreme poverty, the lack of available agricultural experts and technicians, the massive flow of refugees returning back to Afghanistan, and the faltering capacity of Afghanistan’s law enforcement infrastructure further fueled the growth of the narcotics industry. Physical deficiencies like the inadequate number of functioning irrigation systems and transportation infrastructure, a lack of agricultural technology, such as improved seed varieties and fertilizers, also helped facilitate Afghanistan’s rural economy to depend on poppy farming. No access to reliable and socially acceptable micro-credit programs and a reliance on imported goods rather than domestically produced products reinforced the opium-trader dominated finance industry; leaving many rural farmers with little options but to grow opium in exchange for advanced payments, known as the *salaam* system, one of the only means available for farmers and their families to survive the winter.

The Taliban movement, exiled and headquartered in southwestern Pakistan (Quetta) since 2002, reestablished links with criminal syndicates, smuggling networks, drug traffickers, and foreign inoculators in the Arab Gulf in search of financial assistance and sustainability.<sup>189</sup> The Taliban was at odds with its former Al Qaeda allies who had moved on to support Arab terrorist networks engaged in warfare against U.S. forces in Iraq starting in 2003. At the time, Al Qaeda commanders and financiers viewed the Taliban as ineffective and unreliable following its quick defeat in late 2001 and failure to jumpstart and effective insurgency since then. These misgivings would soon turn back into acceptance as the Taliban reemerged under the new military leadership of former Taliban war veterans Mullah Dadullah *Lang* [“lame-legged”], a notorious battlefield commander infamous for his brutality, and Jalaluddin Haqqani, a well respected

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<sup>188</sup> Thomas Schwiech, “Is Afghanistan a Narco-State?” *New York Times Magazine* (July 27, 2008).

<sup>189</sup> Gretchen Peters, “The Taliban and the Opium Trade,” in *Decoding the New Taliban: Insight from the Afghan Field*, ed. Antonio Giustozzi (NY: Columbia University Press, 2009), 7–9.

*mujahideen* commander who maintained relations with senior Taliban leadership, al Qaeda, the Pakistani intelligence services, and who could attract foreign fighters from all over the world.

Dadullah initially campaigned hard for the Taliban between 2002 and 2004, traveling throughout Pakistan seeking financial donations and conducting recruitment drives from Karachi to Quetta. His main area of focus was southern Afghanistan where upwards of 50% of all Afghan opium was produced. Before long, commanders like Dadullah engaged the narcotics industry and exploited gaps and weaknesses in the international community's counter-narcotics strategy of forced eradication of farmers' opium crops by destabilizing local communities to the point local officials could no longer serve in the districts.<sup>190</sup> In what was later deemed one of the most successful "hearts and minds" campaigns of the conflict, Mullah Dadullah vowed to protect any farmer and his livelihood from the forced eradication campaign supported by the international community and enforced by local government poppy-eradication teams.<sup>191</sup> As Brown notes with earlier Taliban participation in the narcotics trade, "involvement with the illicit narcotics industry boosted the Taliban's legitimacy because it provided a reliable source of livelihood to a vast segment of the population."<sup>192</sup> However, despite such "valiant" efforts by commanders like Mullah Dadullah, little profit—if any at all—derived from the narco-trade was reinvested in local communities for public services or infrastructure development, an interesting gap in the Taliban movement's military strategy, which initially sought public support and sympathy.

The Taliban nurtured the narcotics industry between 2002 and 2006 largely because of strategic operational concerns; and operated in conjunction with narco-trafficking groups at the tactical land operation level but rarely at the strategic level. First, the Taliban sought to regain economic capabilities by any means necessary; criminal enterprise, including protecting the drug trade and kidnapping for ransom, became a

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<sup>190</sup> Antonio Guistozzi. *Koran, Kalashnikov and Laptop: The Neo-Taliban Insurgency in Afghanistan* (New York: Columbia University Press, 2008), 86–87, 107.

<sup>191</sup> Matthew C. DuPée, "Opium Den," *Himal Southasian Magazine*, July 2009.

<sup>192</sup> Felbab-Brown, "Kicking the Opium Habit? Afghanistan's Drug Economy and Politics since the 1980s," 136.

viable and acceptable option for short-term income. Second, the political capital gained in southern Afghanistan by extending a “helping hand” to farmers who were perceived to be oppressed by an aggressive and belligerent interim government became a key pillar in the Taliban’s strategy to penetrate the rural countryside in search of safe havens and public support, although this thinly veiled strategy failed to capitalize fully on the government’s lagging effort to restore law and order, stability, development and economic prosperity. Nevertheless, the increase in public support for the insurgency allowed the Taliban a large degree of operational freedom, including an enhanced intelligence and support network throughout the rural environs, a level of mutual trust between narco-criminal groups and the insurgents, and the establishment of sanctuaries located inside of Afghanistan, mostly in the southern provinces of Helmand, Kandahar, Farah, Uruzgan and Zabul.

However, the Taliban was not the only armed polity to participate in the narcotics industry. *Hezb-i-Islami* played a historical and integral role in the cultivation poppy and the refinement of opium into both morphine base and heroin during the 1980s, 1990s, and in the contemporary conflict.<sup>193</sup> Not satisfied with selling raw opium in the markets, *Hezb* controlled at least six-heroin refinement laboratories in Kho-i-Sultan in southwestern Pakistan that refined opium obtained from Helmand province.<sup>194</sup> *Hezb* military leadership also orchestrated the assassination of Nasim Akhundzada in 1990, the undisputed “king of heroin” in Helmand province, whose death kicked off a new round of narco-wars that consumed Helmand province between 1990 and 1993.<sup>195</sup> Following Hekmatyar’s clandestine return to Afghanistan from his exile in Iran in 2002, his *Hezb-i-Islami* faction reportedly controlled most of the drug business in northern Badakhshan

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<sup>193</sup> *Hezb-i-Islami* became one of the largest resistance movements in Afghanistan during the 1980s and helped fund their anti-government activities in part by their profits reaped from the drug trade. See, Ishtiaq Ahmad, *Gulbuddin Hekmatyar: An Afghan Trail from Jihad to Terrorism* (Islamabad: Pan Graphics, 2004); Griffin, *Reaping the Whirlwind Afghanistan, Al Qa’ida, and the Holy War*, 123–127, 145; Ikramul Haq, “Pak-Afghan Trade in Historical Perspective,” 1996, *Asian Survey* 36, no. 19 (1996): 945–963.

<sup>194</sup> Rubin, *The Fragmentation of Afghanistan*, 199.

<sup>195</sup> Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs*, 120–121.

province, one of the most important hubs in processing/refining opium into morphine and for trafficking into Central Asia along the “northern route,” which feeds Europe and Russia with some 70 tons of heroin each year.<sup>196</sup>

Criminal syndicates, warlords and their militias, and influential powerbrokers became increasingly involved in the narcotics industry over time, a trend that would later facilitate the emergence of criminalized politicians during the formation of the Afghan Interim Administration and lead to a consolidation of market brokers by 2005–06. Many of the new Afghan Interim Administration’s new powerbrokers also doubled as district level traders, zonal or main market traders, who had the social and political clout, as well as monetary wealth to maintain a healthy war chest to pay militiamen and buy off political loyalties. At the time, the AIA leadership, including interim President Hamid Karzai, chose these powerful figures to help exert power and control over local fiefdoms on behalf of the emerging central government. Some farmers in Helmand Province even suggested that President Karzai solicited their help in toppling the Taliban regime by promising to let them cultivate poppy in exchange, a claim the Afghan government has since vehemently denied.<sup>197</sup> Under-resourced and under-manned U.S. military units were all too eager to support those figures whose power included scores of armed militiamen and vehicles. Between U.S. and Afghan support, warlord figures, such as Hazrat Ali, Sher Muhammad Ahkundzada, Abdul Rahman Jan Noorzai, Jan Mohammad Popalzai, Gul Agha Sherzai, Mullah Naqibullah Akhund, Haji Agha La Lai Dastagiri, Col. Abdul Razziq Achekzai, Mohammad “Khano” Khan, and Amir Dad “Dado” Khan, became empowered and reasserted their political and economic stranglehold over the key opium producing regions in Helmand, Nangarhar and Kandahar Provinces.

## **B. HOW THE NARCOTICS INDUSTRY BENEFITS THE STATE AND INSURGENCY**

Understanding how and who participates in the Afghan narcotics industry has received varying levels of attention since 2001, with most analytical reporting focusing

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<sup>196</sup> Ahmad, *Gulbuddin Hekmatyar: An Afghan Trail from Jihad to Terrorism*, 114; “U.S. Plans on al Qaeda’s Afghan Opium,” *Guardian*, November 24, 2003.

<sup>197</sup> Felbab-Brown, *Shooting Up: Counterinsurgency and the War on Drugs*, 140.

on how the Taliban participate and benefit from the narcotics trade.<sup>198</sup> It is important to include not only armed resistance movements like the Taliban into this analysis, but also include state power brokers and influential non-state actors like businessmen, criminal kingpins, and former resistance commanders who participate and benefit from the drug trade. As Williams notes, “such dark networks,” particularly the “state-smuggler relationship, is a paradoxical one, defined by irony and contradiction. The smuggler is pursued by the state but at the same time is kept in business by the state...State laws provide the very opening for (and high profitability of) smuggling in the first place.”<sup>199</sup> The following analysis describes how each armed polity engages in various levels of the drug industry and where they fit into the overall value chain of the narcotics industry.

## **1. Tier 1 Participation**

### ***a. Taxation***

Taxation, along with organizational acceptance of the narcotics industry, represents the most passive forms of participation in the drug industry. Taxation is a critical strategy in leeching economic gain from impoverished communities that rely on narcotics production, a trend not unique to Afghanistan but one found readily throughout conflict zones where narcotics are also produced.<sup>200</sup> Similarly, Islamist movements, such as the Taliban, reframe religious rhetoric, such as *zakaat*, an Islamic form of voluntary donation, to reap profit from the drug industry. Like *zakaat*, *ushr* is a traditional Islamic agricultural tax that has been transformed to be applicable to illicit agricultural commodities, such as opium and cannabis resin. The Taliban in recent years have applied *ushr* between 10 and 20% on farmers, processors, traders and traffickers. Increasingly,

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<sup>198</sup> For instance, see Peters, *Seeds of Terror: How Heroin is Bankrolling the Taliban and Al Qaeda*; Peters, “The Taliban and the Opium Trade,” in *Decoding the New Taliban: Insight from the Afghan Field*.

<sup>199</sup> Williams, “Here Be Dragons,” in *Ungoverned Spaces: Alternatives to State Authority in an Era of Softened Sovereignty*, 39.

<sup>200</sup> Colombia, Peru, Lebanon, Turkey, and Burma are but a few excellent examples of where armed belligerents tax the narcotics producing farmers and sharecroppers.

where the drug trade or the trafficking of drugs is not as pronounced but where insurgents groups like Hezb-i-Islami and the Taliban are active, licit industries and licit agriculture are being taxed; sometimes heavily.

**b. Money Laundering**

The laundering of money or income generated through any type of participation in the drug trade in Afghanistan marks the second most accepted form of passive involvement in the drug trade; but probably the most important element that links licit and illicit transactions together. Afghanistan's drug profits are primarily laundered through trade, the complex *hawala* remittance system, or through simply bartering narcotics for other commodities or services.<sup>201</sup> Although the *hawala* markets in Afghanistan are an extremely difficult entity to research, field research conducted between March and July 2005 reveal staggering patterns of narco-profit laundering. As Thompson observed:

Kandahari *hawaladars* explained that there are some months when shops receive very little money from the drug business. This is the case, for example, during the months of February, March, and April when opium poppy is at the growing stage. On the other hand, during the poppy cultivation months (from October to December) the *hawala* market experiences a huge influx of funds reflecting advance payments to farmers for crop cultivation. The market also experiences large fluctuations from the end of April, to June because the opium is ready for purchase. The *hawaladars* therefore reported figures of the highest order during the two phases of opium poppy cultivation and harvesting.<sup>202</sup>

The *hawala* system continues to maintain its position as a primary choice for Afghans transferring and receiving cash payments, exchanging currency, and remittances in the country. Mansfield and Goodhand posit the *Hawaladar* provide an essential service for all parties involved; serving as links between official banks, aid

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<sup>201</sup> John Cassara and Avi Jorisch, "The Afghan Transit Trade: How AF/PAK Drug Lords and Terrorists Are Moving Money and Transferring Value," *The Foundation for the Defense of Democracy*, October 2009.

<sup>202</sup> Edwina A. Thompson, "The Nexus of Drug Trafficking and Hawala in Afghanistan," in *Afghanistan's Drug Industry: Structure, Functioning, Dynamics and Implications for Counter-Narcotics Policy*, ed. Doris Buddenberg and William A. Byrd (UNODC/World Bank, 2006), 163.

agencies, warlords and smugglers.<sup>203</sup> Centralized banking systems slowly emerged in Afghanistan throughout the decade, but high-profile cases of corruption and abuse, such as the *Da Afghanistan Bank* (Kabul Bank) scandal in 2010, eroded Afghanistan's public confidence and belief in such modern systems.<sup>204</sup>

Raw opium, or in some cases, even better quality refined morphine base (dry opium), is used as currency among rural farmers and traders, which has led to the proliferation of opium-based currency economies emerging in rural areas, with poor farmers and interment workers bartering small measurements of opium for commodities like sugar, tea, and other food staples.<sup>205</sup>

In 2006, field research revealed farmers and small traders in Helmand retained small stocks (2–10 kgs) of opium as reserves that were slowly traded throughout the year according to need; farmers selling their opium immediately concluding the harvest were far more common.<sup>206</sup> It is interesting to note that among all groups participating in the narcotics industry in Afghanistan, very few, if any, have reinvested their laundered profits to improve public services or infrastructure, such as water, supply, sewage and transportation.<sup>207</sup> Higher grades of refined morphine base like heroin no. 3 is also used, although this higher end commodity is usually bartered for weapons, ammunition and explosives, which constitutes a more severe form of participation in the narcotics trade (tier-two) and is discussed in detail below.

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<sup>203</sup> Jonathan Goodhand and David Mansfield, "Drugs & (Dis)Order: A Study of the Opium Economy, Political Settlements and Statebuilding in Afghanistan," October 2010, *forthcoming*.

<sup>204</sup> Established in the summer of 2004, the Kabul Bank only serviced 19 out of Afghanistan's 34 provinces. In early 2010, reports surfaced the bank was improperly lending large loans to Afghan elites to purchase luxury real-estate plots around the world despite "Afghan laws that prohibit hidden overseas lending and require strict accounting of all transactions." Andrew Higgins, "In Afghanistan, Signs of Crony Capitalism," *Washington Post*, February 22, 2010.

<sup>205</sup> David Mansfield, Access to Labour: The Role of Opium in the Livelihood Strategies of Itinerant Harvesters Working in Helmand Province, Afghanistan. *UNDCP*, Strategic Study #4: Final Report, June 1999.

<sup>206</sup> Adam Pain, "Opium Trading Systems in Helmand and Ghor," *Afghan Evaluation and Research Unit*, January 2006, 13.

<sup>207</sup> In comparison, two leftist insurgent movements in South America, FARC in Colombia and *Sendero Luminoso* (Shining Path) in Peru, have used their large financial resources obtained from participating in the production of coca to improve public services, which systematically improved their public standing among rural communities. Vanda Felbab-Brown, "The Coca Connection: Conflict and Drugs in Colombia and Peru," *The Journal of Conflict Studies*, XXV, no. 2 (Winter 2005).

## 2. Tier 2 Participation

### a. Protection

Protection of the narcotics industry, such as armed escorts for drug convoys or fixed perimeter security on drug processing workshops, lies at the intersection of those just “taking a cut” and those who fully participate in the drug industry.

For example, drug traffickers in southern Afghanistan are known to provide the Taliban with motorcycles, cellular phones, SIM cards, weapons and explosives in exchange for protection of their processing workshops, refinement labs, opium markets, and trafficking routes.<sup>208</sup> For instance, according to the U.S. Department of Treasury, the network of Haji Agha Jan Alizai, a major drug trafficker based in Helmand province, provided shelter and transportation to Taliban fighters in exchange for the Taliban providing security for the narco-traffickers and their storage sites.<sup>209</sup> Similarly, the network of Saleh Mohammad Kakar, a major drug trafficker active in Helmand and Kandahar, provided the Taliban with vehicles for use in suicide attacks from a car dealership he owned in exchange for Taliban protection of his heroin-processing facilities in the notorious Band-e-Timor area of western Kandahar.

In what has become a move toward motivational convergence at the foot-soldier level, Taliban operatives began issuing death threats against farmers who adhered to the government prohibition of poppy cultivation, namely in parts of Helmand Province.<sup>210</sup> However, these dynamics may be restricted to the “poppy-belt” of southern Afghanistan where the Taliban is most robust. It should be noted that some traffickers and trafficking organizations are known to pay independent armed groups not affiliated

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<sup>208</sup> Joanna Wright, “The Changing Structure of the Afghan Opium Trade,” *Jane’s Intelligence Review*, September 2006; Joanna Wright and Jerome Starkey, “Drugs for Guns: How the Afghan Heroin Trade is Fuelling the Taliban Insurgency,” *The Independent*, April 29, 2008; Joanna Wright, “Blood Flowers: Afghanistan’s Opium Industry Remains Robust,” *Jane’s Intelligence Review*, December 2008; Gretchen Peters, “How Opium Profits the Taliban,” *United States Institute of Peace*, August 2009, 19.

<sup>209</sup> “Treasury Designates Narcotics Traffickers in Afghanistan As Specially Designated Global Terrorists For Their Ties to the Taliban,” *U.S. Department of Treasury*, Press Statement TG-927, October 26, 2010.

<sup>210</sup> Hayder Milli, “Afghanistan’s Drug Trade and How it Funds Taliban Operations,” *Terrorism Monitor* 5, no. 0 (May 10, 2007).

with the Taliban to protect their convoys. Haji Juma Khan for instance, reportedly retained a 1,500-man security contingent to protect his narcotics shipments throughout southwestern Afghanistan and Iran.<sup>211</sup> Similarly, trafficking syndicates in the Helmand-Pakistan wasteland of Baram Cha were known to protect their clandestine drug processing facilities with both Taliban fighters and independently armed groups, some of which were capable of procuring and deploying heavy anti-aircraft batteries and anti-helicopter “steel nets” to defend against Coalition and Afghan-led military raids.<sup>212</sup>

**b. In-House Capabilities**

In some cases, beginning at least in 2007, the Taliban reportedly moved into processing itself in areas under its control, namely in Helmand province; in other words, the Taliban acquired “in-house” drug processing capabilities. The Taliban seized the key opium producing district of Musa Qala (Helmand) in February 2007 and held it for 10 months before a massive military offensive involving thousands of international troops, dubbed Operation Snakebite, evicted the Taliban from its opium-encampment. Following the conclusion of the operation, officials claimed to have destroyed up to 300 opium refinement workshops and confiscated over 11 tons of opium from the abandoned Taliban district administration building.<sup>213</sup>

Around the same time, Christina Oguz, the head of the UNODC, claimed in 2008 that the Taliban became involved in trafficking and manufacturing of heroin in Helmand province.<sup>214</sup> Local Taliban leaders owned and operated at least 60 opium refinement workshops throughout areas under their control in Helmand at the time.<sup>215</sup> Highly touted as a major victory in 2008, Musa Qala has slipped back into narco-initiated instability and Taliban initiated violence, which prompted an influx of U.S. forces into

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<sup>211</sup> Peters, *Seeds of Terror: How Heroin is Bankrolling the Taliban and Al Qaeda*, 153–154.

<sup>212</sup> Joana Wright, “Blood Flowers—Afghanistan’s Opium Industry Remains Robust,” *Jane’s Intelligence Review*, December 11, 2008.

<sup>213</sup> Jean MacKenzie and Aziz Ahmad Tassal, “Afghans in Marjah Have a Drug Trade to Defend,” *Global Post*, February, 4, 2010; Stephen Grey, *Operation Snakebite: The Explosive True Story of an Afghan Desert Siege* (London: Penguin Books, 2009), 279; Peters, “How Opium Profits the Taliban,” 19.

<sup>214</sup> Wright, “Blood Flowers: Afghanistan’s Opium Industry Remains Robust.”

<sup>215</sup> “Opium and the Afghan Insurgency,” *Jane’s Terrorism and Security Monitor*, September 12, 2007.

the district during the summer of 2010. The Taliban has launched at least seven assassination attempts against Mullah Abdul Salaam, the post-Operation Snakebite governor of Musa Qala and former Taliban commander, and even recaptured Salaam's home village and key opium producing hamlet of Shah Karez in March 2010.<sup>216</sup> These operations show not only tactical unity between insurgents and criminals, but strategic coordination that threatens to undermine the writ of the Afghan state.

Similarly, anecdotal evidence exists that the seasonal labor needed to harvest the opium from the ripened poppy plants, many of whom are from outside the areas where they migrate to during the harvest, tend to stick around following the two to three week harvesting period and engage in subversive activities for an enticing wage. These Taliban, referred to widely in the press as "\$10-Taliban," named after the daily wage received for aiding the full time Taliban fighters, make a considerable amount of money for a minimal amount of work; especially considering that Afghan security forces, such as the police, rarely make more than \$75 per month. These "blue-collar" Taliban can make up to \$300 or more for helping plant a deadly roadside bomb and landmine; the tactic most preferred by the Taliban and the number one killer of U.S. and NATO forces in Afghanistan. Although it is impossible to gauge how many of the seasonal laborers partake in guerrilla activities following the harvest, the Taliban does make an effort to tap these networks of "men who have worked together and [became] familiar with the local area."<sup>217</sup>

*c. Drugs for Weapons*

Substantial evidence also exists linking the Taliban to drugs for weapons barter schemes with various black market arms dealers including its former enemies from the Northern Alliance. Taliban intermediaries are also known to travel as far as Kunduz and Badakhshan in northern Afghanistan, where they smuggle high grade Helmand opium or heroin (transited through Helmand's Kajaki district on its way north) over the

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<sup>216</sup> Jerome Starkey and Tom Coghlan, "Taliban Seize Shah Karez, Home of the British-backed Mullah Abdul Salaam," *The Times Online*, March 24, 2010.

<sup>217</sup> Wright, "The Changing Structure of the Afghan Opium Trade," 9.

border into Tajikistan where it is exchanged (not sold) for AK-47's, RPG rounds, and 7.62X39 ammo boxes.<sup>218</sup> Russian organized crime groups allegedly run weapons bazaars located near the porous and ineffectively guarded Tajik-Afghan border.<sup>219</sup> The weapons are smuggled back over the border in a similar fashion where the market price jumps from \$150 an AK-47 to nearly \$400 by the time it reaches fighters in Helmand. Most smugglers prefer to receive refined heroin for weapons, with a kilogram of heroin able to fetch between 10 and 15 AK-47s, or between four and five Kalakov AK-74's.

A popular border crossing point is Badakhshan is Ishkashem, which allows smugglers a smooth transit to weapons and drug markets in Tajikistan.<sup>220</sup> Helmandi Taliban facilitators are known to also purchase weapons from intermediaries in Takhar and Kunduz provinces, some of whom are former "Northern Alliance" rivals.<sup>221</sup> Additionally, Western officials believe up to 70% of all weapons smuggled into Afghanistan enter via roadways, implicating both rampant corruption and the Afghan-Transit-Trade agreement as creating the conditions needed for the massive influx of weapons being used against Coalition and Afghan forces.

***d. Political Protection and Internal Trafficking***

The role of protecting drug convoys is not only restricted to outsourced insurgent militias. Mid-level positions within the Afghan highway police are routinely auctioned off for \$25,000. Bribes and extortion generate ten times that amount in areas situated along smuggling and trafficking routes. Government issued police vehicles, such as the typical Ford Ranger pickup truck, often become dual usage for protection and trafficking purposes. A senior Afghan police official spoke about the endemic corruption

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<sup>218</sup> Jerome Starkey, "Drug for Guns: How the Afghan Heroin Trade is Fueling the Taliban Insurgency," *the Independent* (April 29, 2008).

<sup>219</sup> Dan McDougal, "Moscow Drug Mules," *Mail Online*, November 7, 2008.

<sup>220</sup> Tom Blackwell, "Afghans Target Drug Trade to Choke Out Insurgents," *The National Post*, November 6, 2008. Note: Ishkashem is a district in Badakhshan province and location of the "joint bazaar," a 2,000 square meter market area where weapons, ammunition, and narcotics are sold clandestinely.

<sup>221</sup> The "Northern Alliance," which covertly supplied with weapons and ammunition by Russia, Iran and India during the Taliban era, allegedly also sold excess arms and ammunition to the Taliban during that time period as well. Gregory Salmon, *Poppy: Life, Death, and Addiction Inside Afghanistan's Opium Trade* (Sydney, Australia: Ebury Press, 2009), 320–321.

among the highway police in 2006, saying, “he [an Afghan police official] has a police issue vehicle, so he can take his smuggling everywhere he wants because he has the uniform...He can do it and nobody is there to stop him.”<sup>222</sup> A low-level Taliban leader offered a similar explanation, saying:

Our 400 families collect 100,000 Pakistani Rupees (\$1,250) each. This forty million (\$500,000) goes to the district governor, the district police chief—the people in charge. They are protecting these fields. They are encouraging the farmers to grow because they are getting a lot of money out of the deal. That is the process.<sup>223</sup>

Similar accounts have been documented regarding the Afghan Border Police in southern Afghanistan, particularly the Spin Boldak-Pakistan border crossing point. Abdur Razziq, Kandahar’s Provincial Border Police General, who is commonly referred to as the “Godfather,” has been implicated as the overlord of a multi-million dollar hashish trafficking operation. When acting on tip provided by a rival Afghan politician, British, American and Afghan counter-narcotics commandos raided a major hashish weigh station in the Spin Boldak district, seizing an estimated 240 metric tons of drying hashish; the world record for the most illicit drugs ever confiscated.<sup>224</sup> A follow-up operation four months later seized an additional 40 metric tons of hashish at a compound also located in Spin Boldak. Eventually, Canadian and U.S. military officials arrested a senior Afghan Border Police commander from the neighboring Reg district of Kandahar on charges of running a cross-border drug trafficking syndicate. As noted above, many powerful and highly placed government officials have been repeatedly accused on engaging the narcotics industry in public reporting, raising the question of how deeply the narcotics industry has penetrated the state and if Afghanistan represents a “Narco-state?”

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<sup>222</sup> Wright, “The Changing Structure of the Afghan Opium Trade,” 8.

<sup>223</sup> Gregory Salmon, *Poppy: Life, Death, and Addiction Inside Afghanistan’s Opium Trade* (Sydney, Australia: Ebury Press, 2009), 318.

<sup>224</sup> Operation Ablatross II is the most successful counter-narcotics operations in terms of amount seized in world history.

### 3. Tier 3 Participation

The type of armed polity most easily assigned tier-three participation in the Afghan narcotics industry is criminal syndicates and consortia. Typically, these groups are locally run organized crime families with buy-in among local power brokers (formal and informal) and have established ties with licit businesses to not only help launder drug profits, but to also facilitate the movement of refined narcotics domestically and to the border frontiers and beyond. Additionally, portions of warlord organizations, which manifested into state power brokers after 2002, especially among border security forces and officials, comprise important portions of the tier-three participants. For example, President Hamid Karzai appointed 13 former commanders with ties to the drug trade as senior police commanders in mid-2006—each name was a late addition to a list of 86 police chiefs selected by U.S., NATO and Afghan officials as part of a professionalization effort to enhance the reliability of the Afghan National Police force.<sup>225</sup>

Some reports properly describe the tier operating in conjunction with corrupt officials as having “effectively filled the void vacated by the 'legalized warlords'”. This elite group of wealthy businessmen is largely anonymous, quietly using high-level political connections to safeguard its interests. The group knows exactly who to pay to allow the safe inward passage of the precursor chemicals required to refine opium into heroin, and also control the outward flow of the drug to exports markets. Prior to the Taliban, such a role was played by a multitude of competing interests and players, many of whom were prone to launching bitter turf wars over their trade.<sup>226</sup>

Several examples of such illicit enterprises and their respective kingpins in the contemporary context include the Haji Bashir Noorzai Organization, the Haji Baaz Mohammad Organization, the Haji Juma Khan network, the syndicate in eastern Afghanistan led by Haji Bajcho, and the southern networks of Haji Agha Jan Alizai and Saleh Mohammad Kakar.

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<sup>225</sup> “Afghanistan, The Organised Narco-State,” *Jane's Islamic Affairs Analyst*, January 24, 2007.

<sup>226</sup> *Ibid.*

Haji Juma Khan ran one of Afghanistan's most lucrative drug trafficking operations and maintained close economic ties to the Taliban leadership, although his primary concerns remained his own personal wealth, economic power and his efficient industrial-scale drug production capabilities. Haji Bashir Noorzai, a tribal leader from southern Kandahar who helped support the early iteration of the Taliban movement in 1994 and owned the mosque where the Taliban's Supreme Leader Mullah Omar preached, led the largest drug trafficking organization in southern Afghanistan before his arrest in 2005. In a February 2004 statement to the House Committee on International Relations, Congressman Mark Kirk proclaimed Bashir Noorzai's organization trafficked 2,000 kilograms of heroin from Kandahar to Pakistan every eight weeks.<sup>227</sup> Haji Baaz Mohammad had suspected links to both Haji Bashir Noorzai's organization and anti-government entities, although his own network held its sway over eastern Afghanistan, not Bashir's area of influence in Kandahar. Baaz Mohammad is the first Afghan drug kingpins extradited to the United States for heroin trafficking charges; and his associate, Mohammad Essa, was arrested and extradited to the United States in 2007 for conspiring to traffic \$25 million worth of heroin to the West.

In all four examples, these networks not only had connections to the farm-gate production of opium, but also led refinement facilities, procured and trafficked the necessary precursor chemicals needed for refinement purposes, and trafficked narcotics to the borders with Pakistan and Iran where the drugs were further transported abroad through international mafia connections and corrupt officials. These four personalities possess all tier-three criteria, and although tied to the insurgency and the Taliban in varying degrees, they did not adhere to a strict ideological doctrine other than predatory entrepreneurialism and opportunism.

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<sup>227</sup> Christopher M. Blanchard, "Afghanistan: Narcotics and U.S. Policy," *CRS Report for Congress*, December 7, 2004, 17.

<i>Armed Polities Interaction with the Drug Trade 2001–2010</i>			
<i>What conditions influence the scope and size of the illicit narcotics industry?</i>	<i>How do government institutions react to the narcotics industry?</i>	<i>How do the four types of armed polities engage in the narcotics industry?</i>	<i>Do armed polities stand to reap more than just material gain from interaction with the narcotics trade?</i>
<b>Influencing Conditions</b>	<b>Government Reaction</b>	<b>APs Engagement Type</b>	<b>APs Benefits</b>
Collapsed State (2001), large swathes of territory outside of state rule, protracted instability and insecurity.	Laissez-faire	Insurgent Movements-Tier 2	Insurgent Movements- political capital, freedom of movement, access to manpower, monetary gain, access to smuggling routes.
Strong market demand from Afghanistan, Iran and Pakistan.		Warlord Organizations-Tier 2–3	Warlord Organizations - monetary gain, patronage, political power, territorial consolidation
Significant decrease in opium production in South East Asia.		Syndicates/Consortia-Tier 3	Syndicates/Consortia- Monetary gain, territorial influence, freedom of movement, freedom of action.
		State-Level Power Holders-Tier 3	State-Level Power Holders- Monetary gain, territorial consolidation, political power, patron-client relationships, an attempt at market domination.

Table 7. Armed Polities Interaction with the Drug Trade 2001–2010

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## VI. ANALYSIS AND CONCLUSION

The opium problem can only be resolved at the production level. But that presupposes a considerably enlarged police force and, still more important, the provision of alternative means of subsistence for the poppy growers. We can't possibly shoulder the burden ourselves. A programme of this nature involving development schemes would call for international aid on a massive scale. Up till now, however, all the United Nations have done is sent us experts. But that doesn't solve the peasants' problems. After all, they can't very well eat an expert.

—Colonel Katawazi, Kabul Police Chief, circa 1971.<sup>228</sup>

Sadly, an Afghan security official could have easily made the above quote in 2010, which was spoken nearly 40 years ago. Afghanistan continues to face a period of protracted social and political instability where the entrenched narcotics trade plays a substantial role. Enduring conflict, ineffective governance and widespread corruption have only compounded the problem, nearly all of which is directly fueled by the narcotics trade. Despite a nearly ten-year military engagement by the United States and the international community under NATO auspices, counternarcotics efforts have failed to wean Afghanistan from its addiction to the production of and trafficking of illicit narcotics.

Like in Colombia, Afghanistan's legacy of conflict "and the resources available through drug production enabled these groups to establish themselves as independent political actors who could sit down and negotiate with the state and make formal political demands."<sup>229</sup> The problem of illicit drug production in Afghanistan is not only a reflection of a failed state, but the degree in which the state enables the production of these narcotics is symptomatic of how the state engages and operates in conjunction with armed polities—namely criminal syndicates, warlord organizations and insurgent movements. The final section of this study examines the role each armed polity has

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<sup>228</sup> Lamour and Lamberti, *The International Connection: Opium From Growers to Pushers*, 197.

<sup>229</sup> Enrique Desmond Arias, "Understanding Criminal Networks, Political Order, and Politics in Latin America," in *Ungoverned Spaces: Alternatives to State Authority in an Era of Softened Sovereignty*, ed. Anne Clunan and Harold Trinkunas (Stanford, CA: Stanford University Press, 2010), 131.

played in the production of narcotics in Afghanistan over the course of 30 years of conflict. Each polity is examined and presented individually, and draws upon the conclusions reached from the historical analysis completed earlier in this study.

**A. INSURGENT MOVEMENTS—THE TALIBAN**

The Taliban nurtured the narcotics industry between 2002 and 2006 because of strategic operational concerns. First, the Taliban sought to regain economic capabilities by any means necessary; criminal enterprise, including protecting the drug trade and kidnapping for ransom, which became a viable and acceptable option for short-term income. Second, the political capital gained in southern Afghanistan by extending a “helping hand” to farmers perceived to be oppressed by an aggressive and belligerent interim government became a key pillar in the Taliban’s strategy to penetrate the rural countryside in search of safe havens and public support.

<b>Insurgent Movements</b>	1980–1994	1994–2001	2001–2010
<b>Engagement Type</b>	Tier 1	Tier 2	Tier 2
<b>Benefits</b>	Monetary gain, access to smuggling routes, bartered drugs for weapons and ammunition.	Monetary gain, bartered drugs for weapons and ammunition, access to smuggling routes, political capital, freedom of action.	Political capital, freedom of movement, access to manpower, monetary gain, access to smuggling routes.
<b>Change</b>	-	+	-

Table 8. Insurgent Movements

Such public support would allow the Taliban a large degree of operational freedom, including an enhanced intelligence and support network throughout the rural environs, a level of mutual trust between narco-criminal groups and the insurgents, and the establishment of sanctuaries located inside of Afghanistan, mostly in the poppy-producing southern provinces of Helmand, Kandahar, Farah, Uruzgan, Nimroz and Zabul. The Taliban remains committed to participating in the drug industry for economic benefit and political legitimacy, but uneven involvement leaves it at a tier-two level of

participation. The most dangerous byproduct from its interaction with the narcotics industry is its outsourcing of technical skills (i.e., IED-cells, suicide-bombers) to criminal consortia, and some warlord organizations, for sophisticated attacks against security, law enforcement, and political and business rivals.

Since 2006, insurgents like the Taliban—allied with narcotics-linked criminal entrepreneurs and armed farmers—have increasingly targeted counternarcotics and Poppy Eradication Forces (PEF), a combined force nearly 4,000 strong, since 2007.<sup>230</sup> In 2008, the UN tallied 78 fatalities caused by mine explosions, gun attacks, and suicide bombings against eradication teams and counternarcotics personnel, an increase of about 75% if compared to the 19 deaths in 2007.<sup>231</sup> The trend of criminals supporting or facilitating attacks against eradication personnel and government targets by outsourcing tactical operations to insurgent factions, such as the Taliban, has continued in 2009 and 2010. By mid-April 2009, three narco-suicide attacks (plus one unsuccessful) targeting counternarcotics headquarters and staff throughout southwestern Afghanistan left 16 people dead and 55 wounded.<sup>232</sup> By the end of 2009, the UNODC estimated 21 Afghan policemen were killed during attacks against counternarcotics and poppy eradication teams, although this number seems to underestimate the actual number of fatalities and casualties.<sup>233</sup> The 2010 anti-poppy campaign also witnessed a series of violent clashes between insurgents and eradicators. In fact, the anti-poppy campaign in Helmand, Nimroz and Kandahar provinces, the most unstable and violent provinces in southern Afghanistan, was postponed shortly after it began due to the high levels of resistance. Kandahar and Helmand are responsible for producing most of Afghanistan's opium.

The close proximity of these areas to smuggling avenues into Pakistan and Iran makes these provinces more valuable to trafficking groups and international traders; hence, the violent reaction by such groups when government led initiatives are launched.

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<sup>230</sup> For a detailed breakdown of the Afghan Counternarcotics task force, see Christopher M. Blanchard, "Afghanistan: Narcotics and U.S. Policy," *Congressional Research Services*, August 12, 2009, 40–41.

<sup>231</sup> UNODC, *Afghan Opium Survey 2008*, 24.

<sup>232</sup> DuPée, "Opium Den."

<sup>233</sup> *Afghanistan Opium Survey 2009*, UNODC, December 2009, 52–53.

Only four days after the 2010 anti-poppy drive began in Helmand, five counter narcotics policemen were killed after Taliban gunmen ambushed them while eradicating crops in the Girishk district, and two others were injured.<sup>234</sup> Despite the high level of insecurity, preliminary government-led initiatives began in Farah province. Poppy eradicators, backed up by soldiers from the Afghan National Army, began operations in Farah province on February 22 and destroyed only 30 acres of poppy in the Pasht-Rud district. However, the major threat of improvised-explosive-devices (IEDs) and even suicide-bombers remain a key security challenge to the Governor-Led-Eradication initiatives.

Although the term “narco-suicide terrorism” has not caught on among U.S. policymakers, the mechanisms for its emergence have been in place since the Taliban was overthrown in late 2001. In an ominous sign of narco-related violence in Afghanistan, rival drug syndicate members gunned down the newly minted Vice-President of Afghanistan, Haji Abdul Qadir, as he visited Kabul on July 6, 2002. His murder has been attributed to the criminal syndicate led by Haji Mohammad Zaman, a rogue paramilitary commander and tribal rival from Nangarhar—who along with Hazrat Ali and Haji Qadir—once constituted the anti-Taliban bloc known as the “Eastern Shura.”<sup>235</sup> The Eastern Shura helped small teams of U.S. special forces hunt down al Qaeda fighters and Osama Bin Laden in the Tora Bora mountains, located on the Nangarhar-Pakistan border frontier, in December 2001. Zaman was accused of betraying U.S. forces and helped facilitate the escape of hundreds of al Qaeda fighters, including top commanders Ayman al Zawahiri and Osama bin Laden. Following the accusations of colluding with al Qaeda, the murder of Abdul Qadir, and the failed plot to assassinate Afghanistan’s new Minister of Defense in 2002, Zaman fled to Pakistan until President Karzai assured him amnesty if he returned to Afghanistan in 2010. Following his much-anticipated return from exile, a suicide bomber killed Zaman along with 15 others on February 22, 2010 as he and his entourage returned to Nangarhar province from

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<sup>234</sup> Those seven policemen were part of a 150-man force using 109 tractors to crush poppy fields throughout the province. Zainullah Stanakzai, “Five Anti-Narcotics Police Killed in Rebel Attack,” *Pajwhok News* (February 20, 2010).

<sup>235</sup> According to a report by David Mansfield, Haji Amin Kheri was accused of involvement in the murder of Haji Abdul Qadir.

Pakistan.<sup>236</sup> Although Zaman's death was initially attributed to the Taliban given the method (suicide-bomber) used to kill him, details soon emerged indicating Zaman had been targeted and killed by "purchased" suicide-attackers, or more aptly described, narco-suicide bombers. High paying and powerful personalities, such as the Arsalayee clan to which Haji Abdul Qadir belonged, can facilitate suicide attacks through insurgent intermediaries by offering political protection and financial assistance. The Taliban or insurgent affiliated intermediary in turn provides a willing and equipped suicide-attacker who is likely unaware that his intended target is the victim of a vendetta. Several other narco-suicide attacks have been documented in Afghanistan since 2008, an alarming trend that has not been publicly recognized by international forces in Afghanistan.<sup>237</sup>

Although the Taliban has proven itself to participate in the narcotics industry in varying capacities, the organization has yet to transform itself into a *defacto* drug enterprise or cartel where actors are vertically integrated and control the cultivation, processing, trading and transnational trafficking and distribution of narcotics on a wide-scale. Second, the Taliban does not solely depend upon drug profits to maintain its organization; rather, drug profits are used to benefit and maintain some local and provincial level Taliban groups, mostly those located in Helmand and parts of the traditional southern poppy-belt. The Taliban's main objectives appear to be political and ideological in nature despite making a substantial profit from the narcotics industry and gaining political capital from siding with rural farmers who grow poppy and process opium. However, the structure of the Taliban is evolving and the Taliban's organizational construct is partially able to explain both the Taliban's involvement in the narcotics industry and its inability to consolidate itself into a dominant drug enterprise. Some Taliban fronts remain committed to serious participation in the narcotics trade to fund their activities, mostly in Helmand province and parts of Kandahar and Farah.

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<sup>236</sup> Corky Siemaszko, "Taliban Warlord Haji Zaman Killed in Suicide Blast that Claimed 15 Victims, *New York Daily Times*, February 22, 2010.

<sup>237</sup> Haji Juma Khan, a high profile Afghan drug trafficker extradited to the United States in 2008, is currently awaiting trial for his role in facilitating two suicide bomb attacks; one against the former Governor of southwestern Nimroz province from where Haji Juma Khan hails, and the deadly complex small arms and suicide-attack against the Serena Hotel in Kabul that killed at least eight people in January 2008.

Overall, opium production has caused “the rise of a ‘shadow state,’ where the distinction between using official position for the public good and private gain merges,” a description that easily describes the current situation and the Taliban-era regime as well.<sup>238</sup> Much like the insurgency and the role of its actors in the drug industry, the government’s own involvement is simply a resource that has been opportunistically used. The intrinsic relationship between criminals and insurgents has seriously eroded Afghan state authority, successfully defeated law enforcement efforts to curb drug production, and continues to pose a serious threat to U.S. national security interests in Afghanistan.

## **B. STATE-POWER BROKERS—NARCOSTATIZATION**

As noted in the previous section, an alarmingly dangerous manifestation of the narcotics industry in Afghanistan is the ongoing “narcostatization” of the Afghan state, the rapid penetration of formal institutions by narco-trafficking groups and personalities, a trend that is steadily hollowing out the state and may have already eclipsed the danger posed by the drug-insurgent nexus.<sup>239</sup> As Arias aptly notes:

The variety of roles that armed actors can play in governance often emerge as a result of relationships between armed actors and wider institutional, social and economic factors. Illegal groups operate in specific ways on the paths of economic flows, within markets, and in relation to other elements of state and society...even guerilla armies rely on semi-clandestine networks, contacts in the government, and other illegal actors to support their activities.<sup>240</sup>

Just as insurgent groups may rely upon contacts within the government or other illegal entities, the role of the state power broker in a developing system, particularly one whose writ is weak and territorial jurisdiction is compromised or incomplete, relies upon connections within insurgent and criminal groups to facilitate their own level of criminal participation and profiteering. The latter is not restricted to the narcotics industry, but

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<sup>238</sup> Pain, “Afghanistan’s Opium Poppy Economy,” 135.

<sup>239</sup> David C. Jordan, *Drug Politics: Dirty Politics and Democracies* (Norman: University of Oklahoma Press, 1999).

<sup>240</sup> Enrique Desmond Arias, “Understanding Criminal Networks, Political Order, and Politics in Latin America,” in *Ungoverned Spaces: Alternatives to State Authority in an Era of Softened Sovereignty*, ed. Anne Clunan and Harold Trinkunas (Stanford, CA: Stanford University Press, 2010), 125.

may encompass the smuggling of both licit and illicit goods, illegal tax schemes, political protection to traffickers, the selling of state-owned goods, such as weapons and ammunition, or even “soft” commodities like fuel and food. Afghanistan is not dissimilar to other fragile states in transition or states like Burma where civil war and narcotics production have dominated the socio-economic spectrum over the past four decades. The occurrence of criminal opportunism in a fragmenting society amidst a growing civil war is nearly inevitable, especially given the highly criminalized status of the local economies.

The prominent drug trafficking expert Lamond Tullis came to a similar conclusion, indicating the power of organized drug trafficking networks lies in their ability to infiltrate or establish mutually beneficial relationships among all actors in the illicit drug industry. Trafficking groups successfully achieve this by a) infiltrating bureaucracies, b) buying decisions (e.g., corrupting law enforcement agents and the judiciary), c) making alliances with ideologues (e.g., warlord organizations, militias, insurgent groups.), d) launching intimidation campaigns and violent attacks, and e) creating an anti-state wholly outside the rule of law.<sup>241</sup> A critical component of the analysis put forth by Tullis is the traffickers’ ability to penetrate bureaucracies, or in other words, the emergence of a crime-state nexus.

Many Afghans now believe the current government is more actively involved in the narcotics trade than criminals or the Taliban, according to extensive fieldwork by leading narcotics expert David Mansfield.<sup>242</sup> Afghanistan’s former Attorney General, Abdul Jabbar Sabit, held a similar position when he told senior U.S. counter-narcotics officials in 2008 that he had investigated more than 20 senior Afghan officials who were engaged in major criminal activities; many of them were linked to the narcotics trade.<sup>243</sup> Two pertinent examples of suspected state penetration by the drug trade include Gen. Daud Daud, the recently demoted deputy Interior Minister for Counternarcotics, who

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<sup>241</sup> LaMond Tullis, *Handbook of Research on the Illicit Drug Traffic: Socioeconomic and Political Consequences* (Westport, CT: Greenwood Press, 1991), 64.

<sup>242</sup> David Mansfield, “Where Have all the Flowers Gone? Assessing the Sustainability of Current Reduction in Opium Production in Afghanistan,” *Afghan Research and Evaluation Unit*, May 2010, 22.

<sup>243</sup> Schwiech, “Is Afghanistan a Narco-State?”

authorities caught issuing “protection” letters to drug traffickers in 2007 and the Afghan President’s half-brother Ahmed Wali Karzai who has been routinely accused in the media and by Western officials of facilitating drug shipments in southern Afghanistan.<sup>244</sup> Importantly, many of the unsavory warlords of the *mujahideen* era and the civil war period who were deeply involved in the narcotics industry became leading figures in the Afghan Interim Administration, some of whom survived politically post-Parliamentary elections in 2004 to become state representatives.

Index of Narcostatization Indicators <sup>245</sup>		
Level 1	<i>Incipient</i>	<ul style="list-style-type: none"> <li>• Bribery of low-level officials</li> <li>• Widespread consumption and inability to either through lack of capability or will to reduce demand.</li> <li>• Increasing cultural support for drug consumption.</li> </ul>
Level 2	<i>Developing</i>	<ul style="list-style-type: none"> <li>• Increasing governmental support for drug consumption</li> <li>• Antidrug activities removed from educational and cultural institutions</li> </ul>
Level 3	<i>Serious</i>	<ul style="list-style-type: none"> <li>• Massive bribery and corruption of public officials</li> <li>• Substantial intimidation, including murder, of resisting officials</li> </ul>
Level 4	<i>Critical</i>	<ul style="list-style-type: none"> <li>• Corruption at the highest levels of national police and judicial systems, endemic extortion rather than bribery</li> <li>• Top-level police enter drug trade, protect it, and authorize political assassinations</li> <li>• Financing of journalists and magazines by drug lords; narco-journalists become known and remain in place</li> </ul>
Level 5	<i>Advanced</i>	<ul style="list-style-type: none"> <li>• Compliance of ministries, in addition to judiciary and police, with organized crime</li> <li>• A president surrounded by compromised officials</li> <li>• Possible complicity of the presidency itself, e.g., the president may be charged as <i>capo di tutti capi</i> and public not be surprised.</li> </ul>

Table 9. Index of Narcostatization Indicators

<sup>244</sup> Graeme Smith, “Afghan Officials in Drug Trade Cut Deals across Enemy Lines,” *Globe and Mail*, March 21, 2009; James Risen, “Reports Link Karzai’s brother to Heroin Trade,” *New York Times*, October 4, 2008; Tom Lasserer, “Afghan Drug Trade Thrives with Help, and Neglect, of Officials,” *McClatchy Newspapers*, May 10, 2009. Examples of the alleged protection letters written by Gen. Daud Daud and the former Governor of Helmand Province (Sher Muhammad Akhundzada) exonerating the same drug trafficker, Sayyed Jan, have been obtained and viewed by the author.

<sup>245</sup> Jordan, *Drug Politics: Dirty Money and Democracies*, 121.

David C. Jordan conceived one of the best descriptions of narcostatization sequencing and is represented in Table 9. As it currently stands, Afghanistan fits in between level three and four, or what Jordan describes as “critical,” where extensive bribery and corruption of public officials occurs, substantial intimidation, including murder, of resisting officials happens, and senior police commanders are known to enter the drug trade, protect it, and authorize political assassinations. It is hard to argue that Afghanistan does not indeed consist of some elements from level five, the “advanced” stage of narcostatization, including a president surrounded by compromised officials and the compliance of certain ministries, police and intelligence apparatuses with organized crime.

The United States and NATO are increasingly focusing on the transition of security responsibilities to the Afghan government and its burgeoning security apparatus in preparation for a scale-down of forces beginning in July 2011. This reliance neglects the complexities of the crime-state nexus that has occurred over the past nine years, and as seen in Mexico and Jamaica, the drug industry flourishes in a place like Afghanistan “because all too often the very people charged with fighting the drug trade are corrupted by drugs money.”<sup>246</sup> The progression of the state from a tier two participant to a tier three participant during the contemporary conflict period is not overly surprising, but offers a complex problem-set for western policy makers.

<b>State Institutions</b>	1980–1994	1994–2001	2001–2010
<b>Engagement Type</b>	N/A	Tier 2	Tier 2–3
<b>Benefits</b>	N/A	Monetary gain, patronage, social control, social capital, market consolidation and domination.	Monetary gain, territorial consolidation, political power, patron-client relationships, an attempt at market domination.
<b>Change</b>	-	+	+

Table 10. State Institutions

<sup>246</sup> Tom Feiling, *Cocaine Nation: How the White Trade Took Over the World* (New York: Pegasus Books, 2009), 145.

### C. CRIMINAL CONSORTIA—THE CRIMINAL-INSURGENCY IN AFGHANISTAN

One of the most difficult elements of the contemporary conflict in Afghanistan is properly contextualizing what organized crime enterprises are operating in the country and how to differentiate them from either state institutions (or state-power brokers) or elements of the insurgency. The amount of overlap is considerable, and the nuisances of criminal consortia are largely pushed to the sidelines.

However, some analyses have managed to describe the complexities of criminal consortia and how they fit into the larger political economy of the Afghan drug industry. In the remote and isolated plains of northwestern Afghanistan, an organized crime syndicate known as the “Murghabi mafia” (suitably named after Murgahab, the district from which it originated) evolved out of prior criminal elements that succeeded in penetrating the provincial government apparatus of Badghis and forged links with hostile non-state entities, such as trafficking groups from southern Afghanistan (Kandahar and Helmand), and possibly with Taliban insurgents.<sup>247</sup> The main motivator for criminal syndicates participating in the drug industry remains gross economic profits, opportunity and self-interests, such as prestige and social value—with territorial influence and freedom of movement ranking a close second.<sup>248</sup> This conclusion directly challenges the conventional wisdom that criminal organizations are only concerned with self-preservation and profit. Overarching political objectives, or ideology are typically absent from the criminal syndicates’ strategic consideration, although local or smaller territorial aspirations are a driving motivation for criminal kingpins to instigate, control and monopolize certain types of instability for its own purposes. Such small-scale territorial ambitions are much different from insurgent movements that seek to consolidate and control vast swathes of territory and political institutions, if not an entire state, and those of warlord organizations, that seek to control large blocs of territory usually delineated along larger ethnic, religious or tribal lines.

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<sup>247</sup> “Murghab District, Badghis District Narrative Assessment,” *The Stability Operations Information Center (SOIC)*, May 5, 2010.

<sup>248</sup> Jenni Mitchell, “Enduring Dichotomy: Insurgent or Criminal,” *Crime-Conflict Nexus*, May 2, 2009.

By and large, the criminal consortium operating in Afghanistan largely remains part of the brokerage system and remain domestically focused, although at times, such groups comprised international drug distribution capabilities, such as the networks of Haji Juma Khan, Baaz Mohammad, Haji Bashir Noorzai and Haji Bagcho. Of course, there are outliers, such as the Arsaylee clan from Nangarhar Province that sought larger political objectives, mostly driven from its historical status as political and business elites. The clan’s interest in political appointments and territorial consolidation certainly straddles the fine line between criminal consortia and a warlord organization. In sum, it is the criminal consortium that bridges the gap between insurgent movements, political power brokers, and society at large, with the informal and illicit industry of narcotics production—from cultivation, to processing and trafficking. Criminal organizations remain the entities from which all armed polities seek cooperation and assistance, which is evidenced by the degree of continuity between the violence associated with the trade and those of the state, insurgency, and warlord organizations.

<b>Criminal Consortium</b>	1980–1994	1994–2001	2001–2010
<b>Engagement Type</b>	Tier 2	Tier 2–3	Tier 3
<b>Benefits</b>	Monetary gain, territorial influence, freedom of movement, social status.	Monetary gain, territorial influence, freedom of action, social status.	Monetary gain, territorial influence, freedom of movement, freedom of action, social status.
<b>Change</b>	-	+	+

Table 11. Criminal Consortium

#### **D. WARLORD ORGANIZATIONS—NARCO-STRONGMEN AND POLITICAL ENTERPRISE**

The role of warlord organizations in the Afghan drug industry remains resilient from its inception nearly 30 years ago. The major impact of warlord organizations in the current situation is their integration into the Afghan central government and Afghanistan’s private business sector, many of whom supported overtures offered by the leadership of President Hamid Karzai in exchange for patronage and loyalty to the new

administration. For instance, when President Karzai chose the former defense minister, Marshal Muhammad Qasim Fahim, as his running mate in the 2009 presidential elections, U.S. Secretary of State Hillary Rodham Clinton reportedly told Mr. Karzai that “running with Marshal Fahim would damage his standing with the United States and other countries” given Fahim’s strong ties to the narcotics industry.<sup>249</sup>

The evolution of warlord organizations in Afghanistan during the 1980s is a reflection of the militarization of Afghan society and the resources available to those with positions of leadership within the resistance. What separates these entities from insurgent movements is the preoccupation with illicit market activities, narcotics production and trafficking, as well as controlling illicit trade routes. Additionally, by marginalizing government influence in their particular territories by performing some tasks of the government and providing some types of social services (i.e., security, justice), these organizations help transform these areas into quasi-states within a state and govern as they wish.<sup>250</sup> Warlords and their subordinate strongmen created strong patron-client relationships that led to the extended duration of the civil war period following the state’s collapse in 1992. Like most post-conflict state building scenarios, Afghanistan’s former warlords follow a learning curve into the transition to businessmen and statesmen, often fusing their notoriety for violence with monopolistic capitalism and cronyism.

The privatization of security in Afghanistan is an excellent example of former warlords utilizing some of their best assets, power, weapons and loyalty, into a profit making business that spans the divide between government and public service. Many of the groups operate in the insecure and unstable poppy cultivation and drug trafficking territories of southern and southwestern Afghanistan where their ties to drug traffickers, the state, and the insurgency remain blurred.

The security environment of Afghanistan post-2001, and the demand from U.S. forces to empower local surrogates and state allies, has led to the emergence of *nouveau*

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<sup>249</sup> James Risen and Mark Landler, “Accused of Drug Ties, Afghan Official Worries U.S.,” *New York Times*, August 26, 2009.

<sup>250</sup> Manwaring, “A New Dynamic in the Western Hemisphere Security Environment: The Mexican Zetas and Other Private Armies,” 25.

warlords—mostly young, achieved status individuals who rose to prominence for their ability to deliver goods or services in a post-Taliban era.<sup>251</sup> Highway security and convoy protection is one area in which these strongmen excel, but invariably, these commanders and their militias compete with the central government for power and authority. Under the guise of private security companies, these commanders exploit the current security vacuum and reap huge profits for their services, often outsourcing their expertise to both licit and illicit entities.

According to a U.S. Congressional report:

A warlord's power is principally derived from his ability to control security within a defined territory. The business of warlordism is to seek rents from those who would occupy that space, whether the local population or trucks attempting to transit through it. Given the extremely limited road network in Afghanistan, highways are prime real estate. If a highway also happens to be a critical component of the U.S. supply chain for the distribution of goods in Afghanistan, the opportunity for rent-seeking is massive. Of course, the business model depends on the warlord's ability to monopolize control of the highway and to fight off competition.<sup>252</sup>

Warlords control substantial portions of Afghanistan's southern highway system, and with it, extract considerable amounts of informal taxes for those who use them, including from all strata's of society, not just from the peasant base like insurgents. Those who fall victim to the warlord organizations' rent extraction include local residents, the U.S. military and NATO forces, the Afghan government, and illicit entrepreneurs, such as smugglers and drug traffickers. One such example is Abdul Wali "Koka" Khan, a notorious local strongman from the Musa Qala district of Helmand province, a legacy region in regards to Afghanistan's torrid history with narcotics production. In 2002, American forces imprisoned Koka at Bagram jail in 2002 for suspected involvement in insurgent activities. After 14 months of prison, he returned to Helmand and by 2006, he

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<sup>251</sup> Commander Abdul Razziq, Commander Rohullah "the Butcher," Matiullah Khan Popalzai, all of whom were largely unknown prior to the U.S. invasion of Afghanistan but are now powerful commanders in charge of thousands of armed men, are excellent examples of such personalities.

<sup>252</sup> Warlord, Inc. Extortion and Corruption Along the U.S. Supply Chain in Afghanistan, Report of the Majority Staff, Rep. John F. Tierney, Chair-Subcommittee on National Security and Foreign Affairs Committee on Oversight and Government Reform, U.S. House of Representatives June 2010, 21.

reemerged as a militia commander for the Afghan government in Musa Qala, although his tenure was marked by allegations of wide scale killings and robberies. According to the former district governor of Musa Qala, Koka took \$20,000 a day in opium taxes and was involved in many mass murders.<sup>253</sup> His militia of 220 men was strong and capable enough to launch “anti-Taliban military operations” as far away as Lashkargah, nearly 110-kilometers south of Musa Qala. Despite his unsavory reputation and connections to the narcotics trade, political pressure from senior Afghan officials prompted the British to drop their diplomatic grievances against Koka. Karzai reinstated Koka as police chief in 2008 where he still serves today, fighting alongside U.S. Marine forces stationed in Musa Qala.

The anecdote of Abdul Wali “Koka” Khan only scratches the surface of the wide ranging complexities of the role warlords, strongmen, and their militias play in the myriad of factors regarding the structure and workings of the Afghan drug trade. Scores of unsavory strongmen and their militias, both old guard legacy warlords and younger achieved status warlords, continue to operate alongside NATO forces and the Afghan government. Opium fueled politics alliances have proven to shorten the life-cycle of many political alliances in Afghanistan, and now that the drug problem continues to grow in importance, warlords involved in the drug industry could be less likely to cooperate with the Afghan state and NATO forces in the near future.<sup>254</sup> The political connectivity and military capabilities of warlord organizations, which control larger swathes of territory compared to criminal consortium through their complex patron-client networks and overarching monopoly of violence, represent one of the greatest metastasizing threats to the future stability of Afghanistan.

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<sup>253</sup> Anthony Loyd, “Former Drug Lord Koka is Nato's New Poster Boy and a Police Chief,” *The Times*, July 11, 2008.

<sup>254</sup> Gabi Hesselbein, “Economic Resource Mobilisation and State Stability,” Policy Directions, London School of Economics, Crisis States Research Centre, September 2010; Ahrari, Felbab-Brown, and Shelley with Hussain, “Narco-Jihad: Drug-trafficking and Security in Afghanistan and Pakistan, 41.

<b>Warlord Organizations</b>	1980–1994	1994–2001	2001–2010
<b>Engagement Type</b>	Tier 2	Tier 2	Tier 2–3
<b>Benefits</b>	Monetary gain, patronage, territorial consolidation, territorial monopoly of power and violence.	Monetary gain, patronage, access to smuggling routes, freedom of action, monopoly of power and violence territorial expansion and influence.	Monetary gain, patronage, access to smuggling and transportation routes, freedom of action, political power, territorial consolidation, penetration of licit enterprise.
<b>Change</b>	-	-	+

Table 12. Warlord Organizations

## E. CONCLUSION

Increasingly, state failure is becoming a characteristic of the Afghan war, and as Newberg suggests, war is failing the Afghan state, which will invariably lead to more war.<sup>255</sup> The penetration of the narcotics industry in Afghanistan’s state apparatus is equally, or not more so, a threat to Afghanistan’s sovereignty, stability and security than the perceived threat of the drug-insurgent nexus. Through social networks and past blending of warlord organizations, insurgent movements, and criminal consortium with the state power structure, Afghanistan has essentially evolved into a narco-state as defined by David C. Jordan. Although analysts might assume that insurgent or revolutionary movements should be somewhat inclined to participate in illicit activities to help boost their respective war chests, the emerging phenomenon of narco-suicide bombing is the most alarming byproduct of the drug-insurgent dynamic found in Afghanistan.

As William Reno appropriately states, “the collapse of institutions that can control and discipline armed individuals leaves all groups vulnerable to attacks from

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<sup>255</sup> Paula R. Newberg, “Internal War and Regional Conflict in Afghanistan’s Neighborhood,” in *Rethinking the Economics of War: The Intersection of Need, Greed, and Greed*, ed. Cynthia J. Arnson and I. William Zartman (Baltimore, MD: John Hopkins University Press, 2005), 217.

competitors.”<sup>256</sup> How then, does the participation in illicit industries, such as the drug trade affect Islamic nationalist insurgent movements like the Taliban, especially in regards to group cohesion and political objectives? First, the political *re*-fragmentation of Afghanistan following the collapse of the Taliban regime in 2001 and the subsequent reemergence of many former warlords and nefarious political entrepreneurs unleashed a self-reinforcing cycle of violence, institutional dysfunction and competition to control illicit networks and industry assets. In short, these dynamics established a “new retrograde set of social relationships...in which economics and violence are deeply intertwined within the shared framework of identity politics.”<sup>257</sup> Competition among actors in the illicit industries sector promotes the skills of war fighters and commanders, who in light of their own self-interests and violent tendencies, creates an environment of fear and trepidation that forces many ordinary citizens and local leaders to flee or seek protection from such predatory armed polities.

A major challenge to state building in Afghanistan in a contemporary sense is the political space in which all four armed polities engage in the narcotics industry. As this study has shown, social and historical factors, especially the trends and patterns which emerged during the past 30 years of conflict, has endeared many militarized and predatory political entrepreneurs to gain access to state resources and maintain vital political connections despite variations in the type of political system in place. This has led to uneven political development, leaving many of Afghanistan’s 398 districts under various types of proto-control from groups like the Taliban and their “shadow administrations” to semi-autonomous regions under the jurisdiction of former warlords loosely connected with the central government.

In sum, this study shows how four armed polities engage in the Afghan narcotics industry and how they vary in their level of participation and influence in the industry. One strong correlation among all groups is how, over the studied period of time, each

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<sup>256</sup> William Reno, “Persistent Insurgencies and Warlords: Who is Nasty, Who is Nice, and Why?” in *Ungoverned Spaces: Alternatives to State Authority in an Era of Softened Sovereignty*, ed. Anne Clunan and Harold Trinkunas, (Stanford, CA: Stanford University Press, 2010), 39.

<sup>257</sup> Mary Kaldor, *New & Old Wars: Organized Violence in a Global Era* (Stanford, CA: Stanford University Press, 1999), 106–107.

armed polity has become increasingly bound to the state structure, mostly through the transaction-brokerage nature of the drug trade and the traditional societal networks that bind them together with *khans*, *maliks*, commanders, religious leaders, and government representatives. This metamorphosis evolved over time; however, this synthesis is not necessarily the precursor to a joint-cooperative per se, but it does represent a well-defined “system of war” where all actors participate in various levels of the narcotics industry for clearly articulated reasons; namely profit, enhancing military capabilities, political capital, social value (prestige) and legitimacy, territorial gains, and power. It is inaccurate to assume the Taliban or one of the other identified armed polities dominate the production of narcotics production and the trafficking of these commodities at any particular time; thus, no cartel system has yet emerged. However, it is important to recognize that while all types of armed polities examined in this study are involved in the production and trafficking of heroin at some level, the Taliban is integrated in the entire process—accepting the cultivation of narcotics, taxing its production, protecting processing and trafficking routes for money, aiding in the trafficking of narcotics internally, bartering refined narcotics for weapons and explosives, and maintaining relationships with transnational organized crime groups responsible for operating international distribution operations. Economic flows and the levels of violence associated with the narcotics industry in Afghanistan varies significantly by region, and although some reports suggest the drug industry is being consolidated or dominated by a particular entity, likely state-power brokers associated with warlord organizations, Afghanistan’s narco-trade is still characterized by transaction networks.<sup>258</sup> In regards to the Taliban’s participation in this complex transaction-brokerage system, President Karzai’s half-brother, Ahmed Wali Karzai, explains the fluidity and unpredictably of this territorial-based brokerage system:

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<sup>258</sup> For details concerning the consolidation of Afghanistan’s narco-trade, see Shaw, “Drug Trafficking and the Development of Organized Crime in Post-Taliban Afghanistan.”

The Taliban is not one [group] any longer. There are different tribes and groups. One person does not control a 400-kilometer road. Maybe there is one leadership in Pakistan, but when you come down here [Kandahar Province], there are different tribes, different groups, different people...a guy in Helmand bought 30 dump trucks and paid one Taliban commander to get them through, but soon another [Taliban commander] heard of this and came and burnt all the trucks.<sup>259</sup>

In sum, the largely fragmented and decentralized components of the Taliban are unevenly engaged in the narcotics industry, but are most integrated with the industry in the unstable southern provinces where the U.N. estimates over 90% of Afghanistan's opium poppy is cultivated.

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<sup>259</sup> Warlord, Inc. Extortion and Corruption Along the U.S. Supply Chain in Afghanistan, Rep. John F. Tierney, Subcommittee on National Security and Foreign Affairs, June 2010, 36.

## **APPENDIX A. CHRONOLOGY OF OFFICIAL STATEMENTS AND THE LAWS AND PROHIBITIONS REGARDING NARCOTICS UNDER THE ISLAMIC EMIRATE OF AFGHANISTAN (1994–2001)**

1994-The Taliban movement originates in Kandahar’s Maiwand district, a strategic agrarian community that has cultivated poppies for well over a hundred years by its Pashtun inhabitants. The Taliban releases a small pamphlet telling Kandahar’s residents what the Taliban considered legal and illegal. “The cultivation and usage of *charis* (hashish) is forbidden absolutely,” it read.<sup>260</sup> “The consumption of opiates is forbidden, as is the manufacture of heroin, but the production and trading of opium is not forbidden.”<sup>261</sup>

November 11, 1996-the Taliban’s Foreign Minister, Mullah Mohammad Ghaus, sends a formal note to the UNDCP indicating the Taliban agreed to take the “necessary measures” to suppress the production, processing, and trafficking of narcotics in Afghanistan. Ghaus stressed the need for regional and international cooperation but stressed the “principles of non-interference in the internal affairs of states.”<sup>262</sup>

December 17, 1996-The al-Amir bi al-Ma’ruf wa al-Nahi ‘an al-Munkir (the Ministry of Enforcement of Virtue and Suppression of Vice, the Religious police’ of the Taliban) released a legal decree written by Mullah Mohammad on December 17, 1996 in Kabul. The document banned sixteen activities deemed “un-Islamic” by Omar, including the sixth commandment: “drug trafficking is forbidden as is the usage of drugs.”<sup>263</sup> The following excerpt comes from a sourced copy of the document that was translated from Dari to English and handed over to western agencies in 1996. No. 8 reads, “To eradicate

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<sup>260</sup> Griffin, *Reaping the Whirlwind Afghanistan*, 128.

<sup>261</sup> Ibid.

<sup>262</sup> Peters, *Seeds of Terror: How Heroin is Bankrolling the Taliban and Al Qaeda*, 130.

<sup>263</sup> Robert D. Crews and Amin Tarzi ed., *The Taliban and the Crisis of Afghanistan* (Cambridge: Harvard University Press, 2008), 136.

the use of addiction. Addicts should be imprisoned and investigation made to find the supplier and shop. The shop should be locked and the owner and [sic] user be imprisoned and punished.”<sup>264</sup>

September 10, 1997-The State High Commission for Drug Control, the Taliban’s counternarcotics office, stated that: “The Islamic State of Afghanistan informs all compatriots that as the use of heroin and hashish are not permitted in Islam; they are reminded once again that they should strictly refrain from growing, using, and trading hashish and heroin. Anyone who violates this order shall be meted out a punishment in line with the lofty Mohammad and Shari’ah Law and this shall not be entitled to launch a complaint.”<sup>265</sup>

October 1997-The State High Commission for Drug Control amends the September 10th decree adding an additional clause banning the cultivation and trafficking of opium.<sup>266</sup>

July 2, 1998-the Pakistani Prime Minister approves \$6.5 million dollars to be given to the Taliban government despite facing harsh economic sanctions following its nuclear detonation in May.

March 1999-UNDCP, Pakistani law enforcement officials and Taliban officials meet in Islamabad Pakistan. Additional meetings follow in which UNDCP pledge aid to help locate largest poppy opium fields.<sup>267</sup>

April 1999-Mullah Omar reissues a ban on hashish cultivation.<sup>268</sup>

July 6, 1999-President Bill Clinton signed Executive Order 13129 imposing a ban on economic transactions between the Taliban and the American government.

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<sup>264</sup> Rashid, *Taliban: Militant Islam, Oil and Fundamentalism in Central Asia*, 218.

<sup>265</sup> Donor Mission, 6.

<sup>266</sup> Afghanistan Annual Opium Survey 1998: UNDCP: Islamabad, 6.

<sup>267</sup> Farrell and Thorne, “Where Have all the Flowers Gone?: Evaluation of the Taliban Crackdown against Opium Poppy Cultivation in Afghanistan,” 81–91.

<sup>268</sup> Crews and Amin, *The Taliban and the Crisis of Afghanistan*, 254.

September 1999-The Taliban issued a decree ordering all Afghan poppy farmers to decrease their poppy acreage by one third.<sup>269</sup> There is little evidence this was effectively enforced.

November 28, 1999-“We are against poppy cultivation, narcotics production and drugs, but we cannot fight our own people. They are the sole source of our authority,” Abdul Hakeem Mujahed, the Taliban representative in the United States, told reporters.<sup>270</sup>

February 1999-The Taliban faced a severe shortfall in funding from external sources, namely payments from the Pakistani government. Small arms ammunition, rockets, wireless radio batteries and payments for fighters begin to dry up. Frontline Taliban commanders on the northern-front begin to defect to *Jamiat-Islami* and Ahmad Shah Massoud’s forces in Kunduz and Baghlan provinces.

July 27, 2000-Mullah Mohammad Omar Akhund announced the prohibition of poppy cultivation, calling it “un-Islamic.”<sup>271</sup> This is the first decree by the Islamic Emirate of Afghanistan that used religious framing to prohibit the cultivation of *poppy*. The ban is initially announced nationally on Radio Shari’ah and followed up at the district level by local mullahs and district administrators and by the Drug Control and Coordination units. The ban, given this much attention by the Taliban government, is widely received by the Afghan population. By August 2001, the UNODC reported the cultivation of poppy in Afghanistan had decreased from 82,000 ha to 8,000 ha between 2000 and 2001, the largest decrease in a nation’s output of narcotics in a single year.<sup>272</sup>

September–October 2000-Local *shuras* disseminate the decree prohibiting poppy cultivation and manage the program at the district and village level.

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<sup>269</sup> Paoli, Greenfield and Reuter, *World Heroin Market: Can Supply Be Cut*, 70.

<sup>270</sup> Bartholet and Levine, “Holy Men of Heroin.”

<sup>271</sup> Luke Harding, “Taliban to Lift Ban on Farmers Growing Opium if U.S. Attacks,” *The Guardian*, September 25, 2001.

<sup>272</sup> Mansfield and Pain, “Counter-Narcotics in Afghanistan: The Failure of Success?,” 5.

May 2001-the US State Department announces a \$43 million grant to help support the counter-narcotics policy implemented by the Taliban in Afghanistan.<sup>273</sup>

September 2, 2001-The Taliban Voice of Shari'ah radio program allegedly announces the Taliban's end to the prohibition of poppy cultivation.<sup>274</sup>

September 25, 2001-The Taliban tells Afghan farmers that they would be free to resume planting poppy if the American military launched an attack against Afghanistan.

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<sup>273</sup> Crews and Amin, *The Taliban and the Crisis of Afghanistan*, 254.

<sup>274</sup> MacDonald, *Drugs in Afghanistan: Opium, Outlaws and Scorpion*, 83.

## APPENDIX B. TIER 2 AND TIER 3 AFGHAN DRUG TRAFFICKERS





Image	Name	Description	Charge
	<p>Haji Bashir Noorzai</p>	<p>Haji Bashir Noorzai comes from a prevalent landed elite family from western Kandahar. He owned large tracks of fertile farmland where he and his loyalists produced most of Kandahar's opium throughout the 1990s and early 2000s. He is said to have a personal relationship with senior Taliban officials, such as Mullah Omar, but is also related to powerful government officials, such as Aref Khan Noorzai (his cousin). He provided the Taliban with money and pickup trucks during its ascent to power in 1994.</p>	<p>Haji Bashir Noorzai was arrested in April 2005 after a sophisticated sting operation lured him to New York City. Facing Federal drug trafficking charges, the jury found Bashir guilty of importing more than \$50 million in heroin from Afghanistan and Pakistan to the United States and other countries. A judge in New York sentenced Bashir to life in prison in May 2009 after a jury convicted him in an international narcotics trafficking conspiracy in 2008.</p>
	<p>Haji Juma Khan</p>	<p>Since 1999, Khan led an international opium, morphine and heroin trafficking group that arranged to sell morphine base, an opium derivative that is processed into heroin, in quantities as large as 40 metric tons. He ran an international shipping firm from Sharja and Dubai where he laundered money and trafficked in large-scale shipments of heroin. He is suspected of maintaining close ties to both al Qaeda and the Taliban.</p>	<p>The United States charged Haji Juma Khan with narco-terrorism, conspiracy to fund and financing terrorism in a superseding indictment unsealed by the U.S. Attorney's Office in Manhattan in April 2009. Khan was arrested during a U.S. sting operation as he landed at an airport in Indonesia in October 2008. U.S. authorities say he is among the first defendants to be prosecuted under a 2006 federal narco-terrorism statute.</p>

Image	Name	Description	Charge
	<p>Haji Baaz Mohammad</p>	<p>Haji Baaz Mohammad led a drug trafficking organization in eastern Afghanistan that maintained close links to the Taliban and provided financial support to the Taliban derived from drug profits. Between 1994 and 2000, the organization collected heroin proceeds in the United States, which were used to pay the Taliban to provide protection for its opium crops, heroin-processing facilities, drug-trafficking routes, and to Baaz and his inner circle.<sup>275</sup> Baaz Mohammad is Afghanistan's first heroin kingpin ever to be extradited to the United States from Afghanistan for narcotics charges.</p>	<p>President Karzai authorized the extradition of Baaz Mohammad to the United States in October 2005. On July 11, 2006, Baaz Mohammad pleaded guilty in Manhattan federal court. He was sentenced in October 2007 to 16 years imprisonment for managing an international narcotics-trafficking organization that imported millions of dollars of heroin into the United States, according to the U.S. Attorney's Office in New York City.</p>
	<p>Haji Bagcho, a.k.a. Haji Bagh Chagul</p>	<p>Haji Bagcho is one of Afghanistan's most notorious high-profile drug traffickers. He led his organization in eastern Afghanistan (Nangarhar) where he maintained an armed militia group to protect his interests and attack government assets seeking to disrupt his criminal enterprise. He was arrested in the summer of 2009 by U.S. and Afghan law enforcement personnel.</p>	<p>Bagcho was extradited to the United States on June 29, 2010. The United States charged Bagcho in a two-count indictment with one count of conspiracy to distribute one kilogram or more of heroin and another heroin distribution charge. If convicted on either of these charges, Bagcho faces a mandatory minimum sentence of 10 years in prison and a maximum of life in prison.</p>

<sup>275</sup> Material sourced from Jim Kouri, "Afghan Drug Kingpin Baz Mohammad Extradited to New York," *CPP*, October 17, 2007.

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