



# Afghanistan: Narcotics and U.S. Policy

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July 15, 2010

Congressional Research Service

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[www.crs.gov](http://www.crs.gov)

RL32686

## Summary

Opium poppy cultivation and drug trafficking have eroded Afghanistan's fragile political and economic order over the last 30 years. In spite of ongoing counternarcotics efforts by the Afghan government, the United States, and their partners, Afghanistan remains the source of over 90% of the world's illicit opium. Since 2001, efforts to provide viable economic alternatives to poppy cultivation and to disrupt drug trafficking and related corruption have succeeded in some areas. However, insecurity, particularly in the southern province of Helmand, and widespread corruption fueled a surge in cultivation in 2006 and 2007, pushing opium output to all-time highs.

In 2008 and 2009, poppy cultivation decreased in north-central and eastern Afghanistan, while drug activity became more concentrated in the south and west. National poppy cultivation and opium production totals dropped in 2009 for the second straight season, as pressure from provincial officials, higher wheat prices, drought, and lower opium prices altered the cultivation decisions of some Afghan poppy farmers. Preliminary estimates for the 2010 season suggest that poor weather conditions, disease, and military operations in key poppy growing areas will limit production to 2009 levels, in spite of backsliding in some areas. Some experts continue to question the sustainability of rapid changes in cultivation patterns and recommend reinforcing recent reductions to replace poppy cultivation in local economies over time.

Across Afghanistan, insurgents, criminal organizations, and corrupt officials exploit narcotics as a reliable source of revenue and patronage, which has perpetuated the threat these groups pose to the country's fragile internal security and the legitimacy of its elected government. The trafficking of Afghan drugs appears to provide financial and logistical support to a range of extremist groups that continue to operate in and around Afghanistan. Although coalition forces may be less frequently relying on figures involved with narcotics for intelligence and security support, many observers have warned that drug-related corruption among appointed and elected Afghan officials creates political obstacles to progress.

As of April 2010, Congress had appropriated approximately \$4.2 billion in regular and supplemental foreign assistance and defense funding for counternarcotics programs in Afghanistan from FY2001 through FY2010. The Obama Administration is pursuing a two-pronged interdiction and development policy in support of the government of Afghanistan's implementation of its National Drug Control Strategy. At present, U.S. military and law enforcement personnel are assisting Afghan forces and judicial authorities in targeting drug trafficking organizations while State Department, USAID, and USDA personnel are implementing expanded agricultural development assistance programs. The Administration ended U.S. support for eradication after deciding previous efforts were inefficient and potentially counterproductive. Afghan authorities continue to implement targeted eradication efforts.

This report provides current statistical information, profiles the narcotics trade's participants, explores linkages between narcotics, insecurity, and corruption, and reviews U.S. and international policy responses since late 2001. The report also considers ongoing policy debates regarding the counternarcotics role of coalition military forces, poppy eradication, alternative livelihoods, and funding issues for Congress. See also CRS Report RL30588, *Afghanistan: Post-Taliban Governance, Security, and U.S. Policy*, by (name redacted), CRS Report R40699, *Afghanistan: U.S. Foreign Assistance*, by (name redacted), and CRS Report R401567, *War in Afghanistan: Strategy, Military Operations, and Issues for Congress*, by (name redacted) and (name redacted).

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## Overview

In spite of ongoing international efforts to combat Afghanistan's narcotics trade, U.N. officials estimate that Afghanistan supplies over 90% of the world's illicit opium.<sup>1</sup> Afghan, U.S., and international officials have stated that opium poppy cultivation and drug trafficking constitute serious strategic threats to the security and stability of Afghanistan and jeopardize the success of post-9/11 counterterrorism and reconstruction efforts. Since 2001, counternarcotics policy has emerged as a focal point in broader, recurring debates in the executive branch and in Congress about the United States' strategic objectives and policies in Afghanistan.

Relevant concerns include the role of U.S. military personnel and strategies for continuing the simultaneous pursuit of counterterrorism and counternarcotics goals, which may be complicated by practical necessities and political realities. Coalition forces pursuing regional counterinsurgency and counterterrorism objectives may rely on the cooperation of security commanders, tribal leaders, and local officials who may be involved in the narcotics trade. Counterinsurgency operations in key poppy growing areas have presented U.S. forces and officials with challenging decisions about the relative merits and risks inherent in simultaneously seeking to limit poppy cultivation and maintain positive relationships with local farmers. U.S. officials and many observers also believe that the introduction of a democratic system of government to Afghanistan has been accompanied by the election and appointment of many narcotics-associated and corrupt individuals to positions of public office.

Efforts to combat the opium trade in Afghanistan face the challenge of ending a highly profitable enterprise fueled by international demand that has become deeply interwoven with the economic, political, and social fabric of a war-torn country. Afghan, U.S., and international authorities are engaged in a campaign to reverse the unprecedented upsurge of opium poppy cultivation and heroin production that occurred following the fall of the Taliban. U.S. officials continue to implement a multifaceted counternarcotics initiative that includes public awareness campaigns, judicial reform measures, economic and agricultural development assistance, support for Afghan demand reduction programs, and drug interdiction operations. Questions regarding the likely effectiveness, resource requirements, and implications of counternarcotics strategies in Afghanistan continue to arise as Members of the 111<sup>th</sup> Congress review and debate the Obama Administration's policies.

## Afghanistan's Opium Economy

Opium production has become an entrenched negative element of Afghanistan's fragile political and economic order over the last 30 years in spite of ongoing local, regional, and international efforts to reverse its growth. At the time of Afghanistan's pro-Communist coup in 1978, narcotics experts estimated that Afghan farmers produced 300 metric tons (MT) of opium annually, enough to satisfy most local and regional demand and to supply a handful of heroin production facilities whose products were bound for Western Europe.<sup>2</sup> From the early 1980s through 2007, a trend of

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<sup>1</sup> United Nations Office on Drugs and Crime (UNODC)/Government of Afghanistan Ministry of Counternarcotics (MCN), *Afghan Opium Survey 2009*, December 2009.

<sup>2</sup> See Jonathan C. Randal, "Afghanistan's Promised War on Opium," *Washington Post*, November 2, 1978, and Stuart Auerbach, "New Heroin Connection: Afghanistan and Pakistan Supply West With Opium," *Washington Post*, October (continued...)

increasing opium poppy cultivation and opium production unfolded during successive periods of insurgency, civil war, fundamentalist government, and recently, international engagement (**Figures 1** and **2**). During the 2006-2007 poppy growing season, Afghanistan produced a world record opium poppy crop that yielded 8,200 MT of illicit opium—an estimated 93% of the world’s supply.

A slight reduction in national poppy cultivation and opium output was recorded in 2007-2008, and many international officials attributed the changes to more effective counternarcotics approaches, including governor-enforced poppy cultivation bans and eradication. United Nations and Afghan government officials announced that further reductions in national cultivation and output statistics were recorded for the 2008-2009 season, due in part to bad weather, interdiction efforts, market prices, and improved agricultural assistance in some key poppy growing areas. Estimates for 2010, suggest that production will remain relatively static, with crop disease and poor weather conditions exerting downward pressure on output.

Overall, practitioners and observers remained focused on Afghan government, United Nations, and other field reporting that shows reductions in poppy cultivation in some northern, central, and eastern provinces, while large-scale cultivation continues in conflict-ridden southern provinces and remote areas of the east and west. By nearly all accounts, opiate trafficking and related corruption remain nationwide problems. With regard to so-called “poppy free” provinces, experts and practitioners continue to debate the causes and durability of recent reductions in poppy cultivation, with some analysts calling for more targeted development assistance to capitalize on and consolidate what they argue are still-reversible reductions in many areas. Parallel debates focus on the advisability and targeting of interdiction and eradication and the relative importance of and appropriate methods for sustainably replacing poppy cultivation and opium industry labor as income sources for Afghan households.

The concentration of poppy cultivation in insecure and remote areas has raised doubts in the minds of some observers about the likelihood of further gains in the absence of more fundamental improvements in security and stability. In the most volatile areas of the country, insecurity and corruption create a climate in which poppy cultivators and drug-trafficking groups remain largely free to operate. Violence and criminality stifle licit economic activity and prevent effective eradication, interdiction, outside investment, or the provision of development assistance. Reports suggest that the drug trade provides financial support to corrupt officials, criminal groups, and insurgents who in turn protect traffickers and perpetuate the chaotic environments that allow illicit trade to thrive.

In light of these challenges, current U.S. policy is designed to: break self-reinforcing cycles of insecurity, crime, and violence through direct action against traffickers, insurgents, and corrupt officials; understand, consolidate, and sustain reductions in poppy cultivation where they have occurred; and, reproduce sustainable reductions in cultivation nationwide.

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(...continued)  
11, 1979.

## 2009 Production Statistics

According to the 2009 Afghanistan Opium Survey conducted by the Afghan Ministry of Counternarcotics (MCN) and the United Nations Office on Drugs and Crime (UNODC):<sup>3</sup>

- Opium poppy cultivation took place in 14 of 34 Afghan provinces in 2008-2009 (see **Figure 3**). The land area under poppy cultivation fell by 22% to 123,000 hectares (equal to 1.6% of Afghanistan's arable land). Cultivation remains overwhelmingly concentrated in conflict-ridden Helmand province, where farmers cultivated over 69,833 hectares of poppy—a 33% decline in the province from the prior season. MCN-UNODC estimates for 2010 suggest that three provinces may lose their poppy-free status while several others could become poppy-free depending on Afghan government responses and international support (see below).
- The 2008-2009 opium poppy crop had the potential to produce 6,900 MT of illicit opium, a 10% decline from the prior season. However, crop yields once again improved 15% due to better weather conditions in some areas. A range of accepted opium-to-heroin conversion rates indicate that an estimated opium yield of 6,900 MT could produce 690 to 985 MT of refined heroin.<sup>4</sup>
- Approximately 254,000 Afghan households cultivated opium poppy in 2008-2009, equal to roughly 1.6 million people or 6.4% of the Afghan population. Thousands of laborers, traffickers, warlords, and officials continue to participate.
- The estimated \$438 million farmgate value (equal to volume multiplied by the price of non-dried opium paid to farmers) of the 2008-2009 opium harvest is equivalent in value to approximately 4% of the country's licit GDP. The export value of the 2008 crop may have exceeded \$3.4 billion, equivalent to approximately 33% of the country's licit 2008 GDP. Many licit and emerging industries have been financed or supported by profits from narcotics trafficking.<sup>5</sup>

As noted above, some experts and practitioners consider provincial and district level data to be a more accurate and informative reflection of counternarcotics challenges and successes. Recent UNODC/MCN reports attribute sustainable declines in poppy cultivation to political stability, economic integration, alternative livelihood assistance, and effective law enforcement. Other variables such as weather, raw opium prices (see **Table 1**), and the prices of licit crops, including wheat, have significant and difficult to quantify effects on farmers' decisions to grow poppy. At present, changes in opium and wheat price trends have led some expert observers and officials to express concern that prevailing price relationships that have undermined poppy cultivation may be slowing or entering a period of reversal. At the same time, weather conditions and disease patterns that have favored high opium yields in recent years appear to have reversed, amid widespread reports of blight from infection and drought.

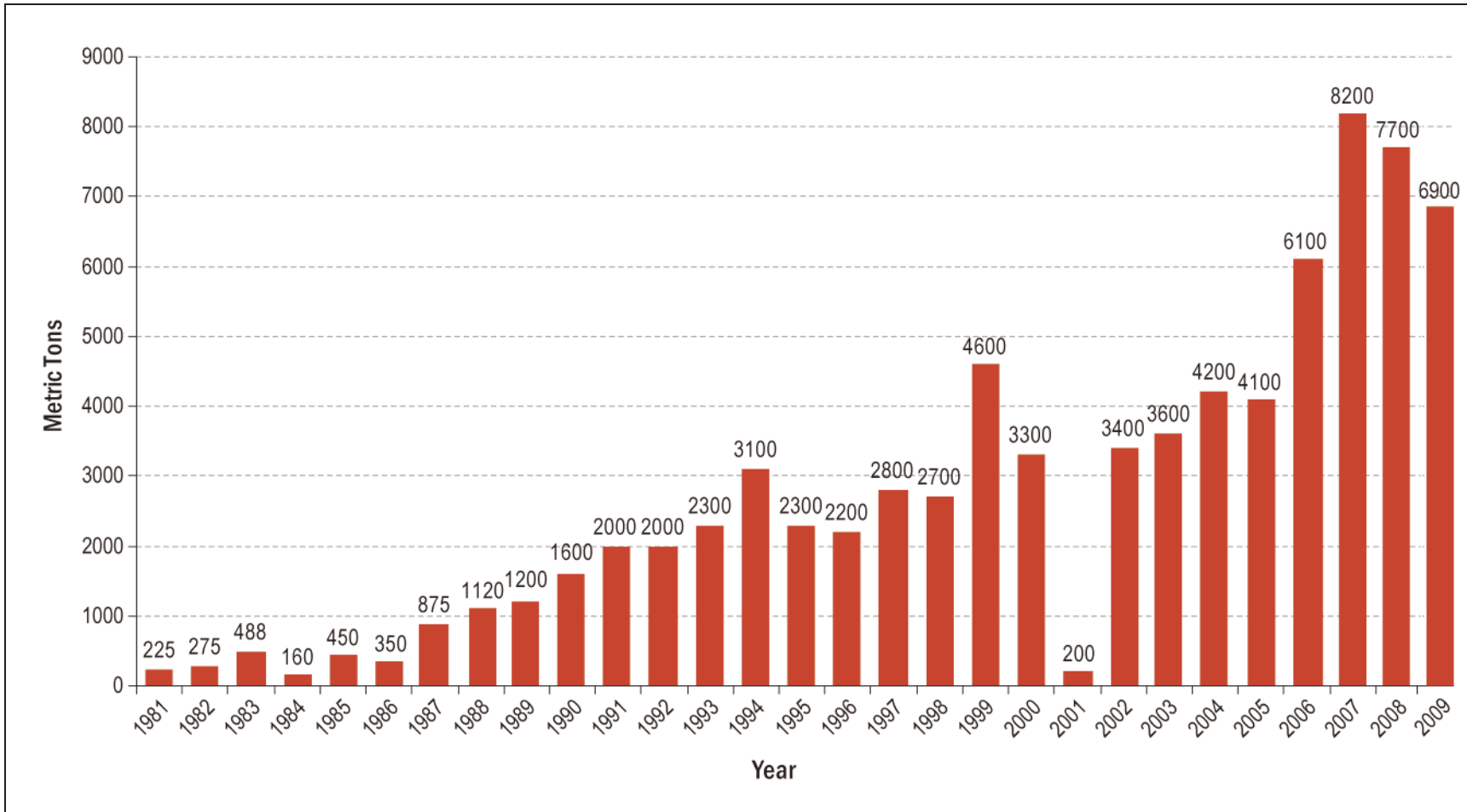
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<sup>3</sup> United Nations Office on Drugs and Crime, *Afghanistan Opium Survey 2009*. Available at: [http://www.unodc.org/documents/crop-monitoring/Afghanistan/Afgh-opiumsurvey2009\\_web.pdf](http://www.unodc.org/documents/crop-monitoring/Afghanistan/Afgh-opiumsurvey2009_web.pdf).

<sup>4</sup> Methodology described in UNODC/Afghan Gov., *Afghanistan Opium Survey 2004*, November 2004, pp. 105-7.

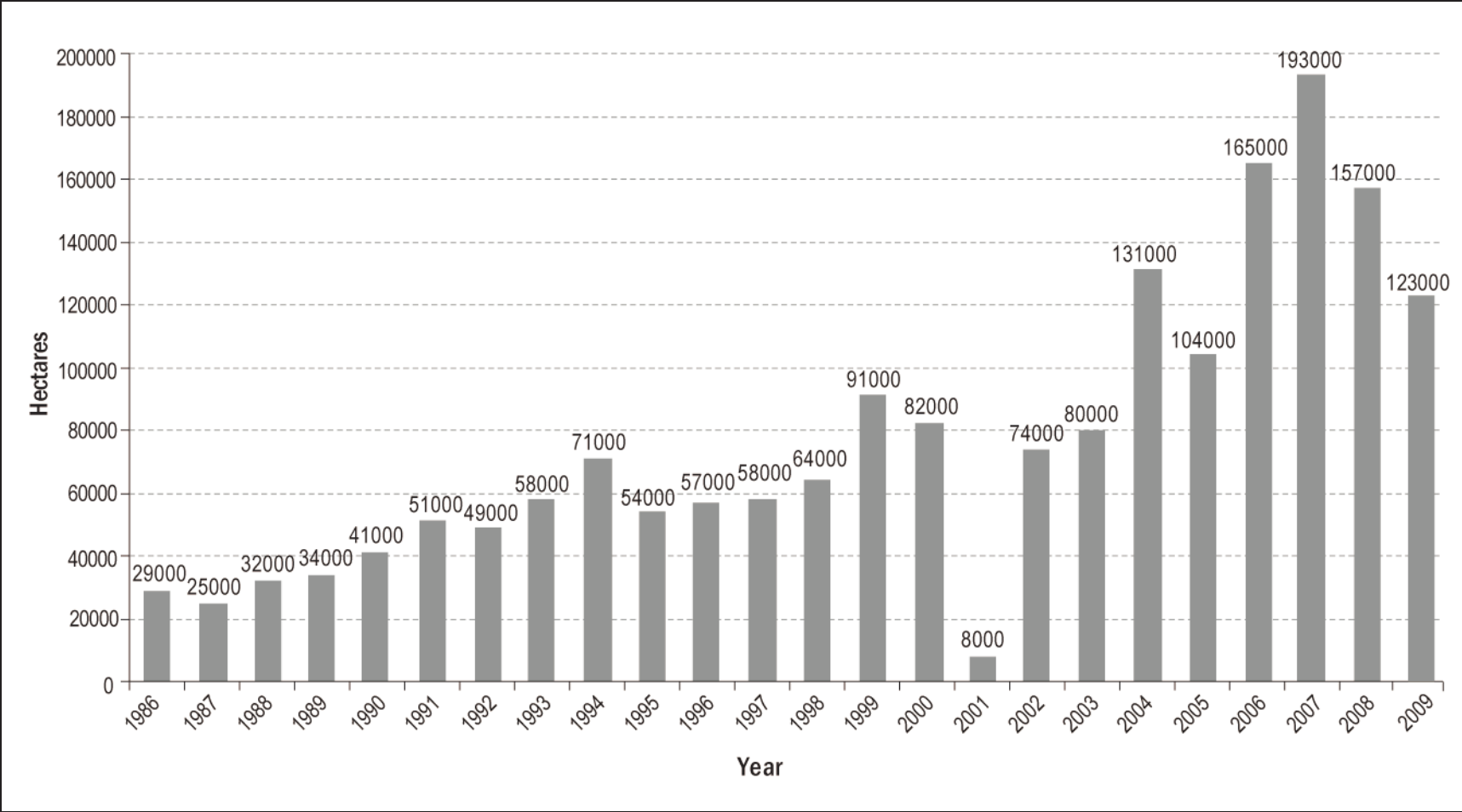
<sup>5</sup> Edouard Martin and Steven Symansky, "Macroeconomic Impact of the Drug Economy and Counter-Narcotics Efforts," in Doris Buddenberg and William A. Byrd (eds.), *Afghanistan's Drug Industry: Structure, Functioning, Dynamics, and Implications for Counter-Narcotics Policy*, World Bank/UNODC, November 2006.

**Figure I. Opium Production in Afghanistan, 1981-2009**



**Source:** Graphic developed by CRS using UNODC/MCN data. One metric ton is equal to 2,200 pounds. The Taliban banned opium poppy cultivation in areas under their control in 2001 but allowed opium trafficking to continue. Limited poppy cultivation continued in areas under Northern Alliance control.

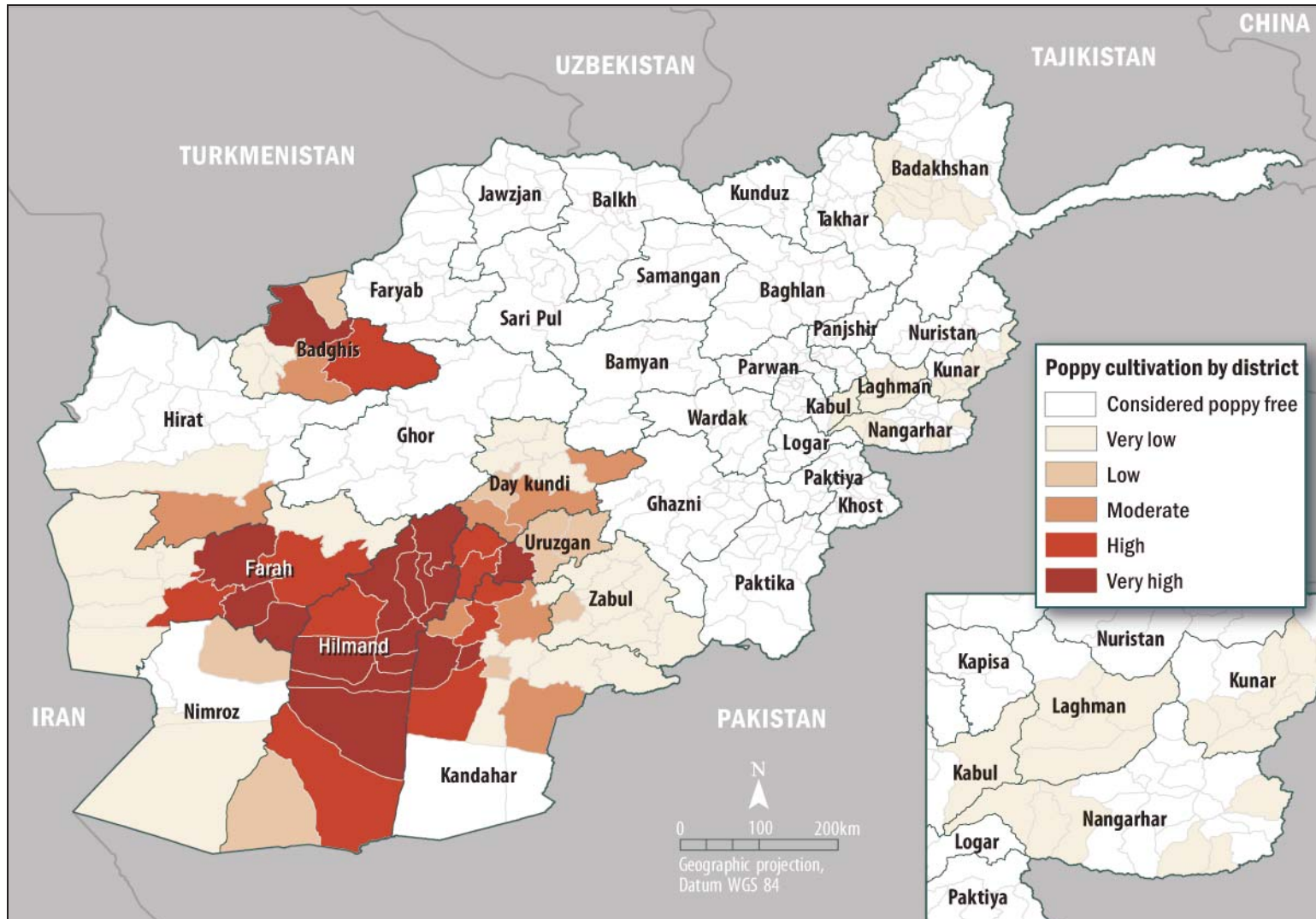
**Figure 2. Opium Poppy Cultivation in Afghanistan, 1986-2009**



**Source:** Graphic developed by CRS using UNODC/MCN data. One hectare is equal to 10,000 square meters. The Taliban banned opium poppy cultivation in areas under their control in 2001 but allowed opium trafficking to continue. Limited poppy cultivation continued in areas under Northern Alliance control.



Figure 3. Estimated Opium Poppy Cultivation by District, 2009



Source: Adapted by CRS from UNODC/MCN Afghanistan Opium Survey 2009, p. 17.

Notes: District boundaries approximate.

**Table I. Opium Prices in Afghanistan**  
(regionally weighted fresh opium farmgate<sup>a</sup> price, current US\$/kilogram)

	2000	2001 <sup>b</sup>	2002	2003	2004	2005	2006	2007	2008	2009
Opium Price	\$28	\$301	\$350	\$283	\$92	\$102	\$94	\$86	\$70	\$48

**Source:** United Nations Office on Drugs and Crime, Afghanistan Opium Surveys 2004-2009.

- a. Farmgate price for fresh opium is the price paid to farmers for non-dried opium.
- b. Dry opium prices increase following the Taliban ban on poppy cultivation and skyrocketed to nearly \$700/kg immediately following the September 11, 2001 terrorist attacks. According to UNODC, prices temporarily fell to \$93/kg after U.S. airstrikes began.

## UNODC Projections and U.S. Assessments, 2010<sup>6</sup>

The December 2009 UNODC/Afghan Government opium survey reported further consolidation of poppy cultivation in the southern and western provinces of Helmand, Kandahar, Nimroz, Farah, Dai Kundi, Uruzgan, and Zabol. According to the U.S. State Department, 97% of Afghanistan's opium is produced in six of these seven provinces. Overall, UNODC monitoring found a significant decrease in national cultivation levels in 2009, due primarily to an over 33% reduction in cultivation in Helmand province. According to UNODC estimates, three provinces, Kapisa, Baghlan, and Faryab, became "poppy-free" in the last year, while limited production in remote and less secure areas of upper Nangarhar stripped the province of the poppy free designation it earned in 2008.

Although wheat prices declined from their 2008 high, they remained at roughly double their 2007 levels during 2009 and thus remained attractive relative to declining prices in Afghanistan's oversupplied opium market. Survey information from early 2010 suggests this price relationship may be shifting, as wheat prices begin to decline at a faster rate than opium prices. Survey data suggests that government intervention remains less influential in insecure southern and western provinces, with the exception of the Food Zone area of Helmand province, where a specially targeted interdiction and development program is credited with contributing significantly to the large drop in poppy cultivation observed in 2009. Farmers surveyed suggest that the effectiveness of alternative development programs varies across the country, and many reportedly emphasize the need for programs to extend beyond district centers to more remote or "grass roots" areas. Security remains a decisive factor in the ability of the Afghan government and its international partners to do so.

The March 2010 State Department International Narcotics Control Strategy Report for Afghanistan states that:

"the Government of the Islamic Republic of Afghanistan (GIROA) generally relies on the international community for assistance in implementing its national counternarcotics strategy. However, more political will, greater institutional capacity, and more robust efforts at the central and provincial levels are required to decrease cultivation in the south and west,

<sup>6</sup> Based on UNODC/MCN, Afghanistan Opium Survey, September 2009.

maintain cultivation reductions in the rest of the country, and combat trafficking in coming years.”<sup>7</sup>

The report also concludes that during 2009, “several governors were unwilling or unable to implement successful poppy reduction programs due to the lack of security and high levels of insurgent activity in their provinces.” The 2010 INCSR report concludes that “many Afghan government officials are believed to profit from the drug trade, particularly at the provincial and district levels of government.” The report also includes accounts of corruption among officials in national security forces, such as a Afghan National Police commander from Kandahar province. In April 2009, Secretary of State Hillary Clinton called corruption in Afghanistan “a cancer” that “eats away at the confidence and the trust of the people in their government.”<sup>8</sup>

## **Obama Administration Policy and Funding Requests**

The Obama Administration is implementing new counternarcotics policies in conjunction with its strategic reviews of U.S. policy in Afghanistan and Pakistan. The Administration’s strategic review white paper, released March 27, 2009, called for “a complete overhaul of our civilian assistance strategy” and identified “agricultural sector job creation” as “an essential first step to undercutting the appeal of al Qaeda and its allies.” The review document states that the Obama Administration believes crop substitution and alternative livelihood programs in Afghanistan “have been disastrously underdeveloped and under-resourced.” It further indicates that interdiction and eradication operations will continue, but targeting will shift toward “higher level drug lords.” These goals were echoed in the Afghanistan-Pakistan Regional Stabilization plan released in February 2010, which outlines a two-pronged approach of more robust interdiction and law enforcement efforts supported by agricultural development assistance and existing demand reduction and communications programs. A new National Security Council-approved counternarcotics strategy document summarizes the Administration’s goals as follows: “Goal 1: Counter the link between narcotics and the insurgency and significantly reduce the support the insurgency receives from the narcotics industry. Goal 2: Address the narcotics corruption nexus and reinforce the Government of Afghanistan.”<sup>9</sup>

In support of these objectives, the Administration requested civilian staff funding, development assistance, and enforcement funding in the FY2009 supplemental and its FY2010 budget and supplemental proposals. The FY2009 supplemental request included Diplomatic and Consular Program (D&CP) funding requests for \$84.8 million to support new U.S. Embassy and provincial reconstruction team (PRT) personnel from the State Department, USAID, and the U.S. Department of Agriculture (USDA). In addition, the D&CP account request included \$137.6 million to support expanded interagency staffing in the areas of agriculture, justice, customs and border management, health, finance, and aviation. Some of the staffing funding requests would directly increase the number of U.S. personnel devoted to counternarcotics programs in Afghanistan. The Administration also requested \$129 million in International Narcotics Control and Law Enforcement (INCLE) account funding to “support counternarcotics and law enforcement efforts primarily in the south and east of Afghanistan” and \$214 million in Economic

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<sup>7</sup> Available at: <http://www.state.gov/p/inl/rls/nrcrpt/2010/vol1/index.htm>.

<sup>8</sup> Radio Free Europe/Radio Liberty, Full Transcript Of Interview With Hillary Clinton, April 6, 2009.

<sup>9</sup> U.S. Department of Defense, Report on Progress Toward Security and Stability in Afghanistan, Report to Congress in accordance with section 1230 of the National Defense Authorization Act for Fiscal Year 2008 (P.L. 110-181), April 2010, p. 73.

Support Fund (ESF) account funding to support “counternarcotics and stabilization programs, especially in the south and east.” The Administration’s FY2010 request did not dramatically expand economic assistance specifically earmarked for counternarcotics purposes, in spite of official statements about those programs having been “under-resourced” in the past. However, ESF assistance requests for agricultural programs were significantly larger for FY2010.

**Table 2** details appropriations and requests for the main funding accounts supporting U.S. counternarcotics programming in Afghanistan for FY2009 through FY2011. Drug Enforcement Administration (DEA) funds are not included: in July 2009, the Special Inspector General for Afghanistan Reconstruction (SIGAR) reported that Congress had appropriated \$127.37 million for DEA activities in Afghanistan from FY2002 to FY2009. SIGAR also reported that Congress had appropriated approximately \$3 billion for counternarcotics programs in Afghanistan from 2001 through 2008. Since 2006, Congress has placed conditions on some amounts of U.S. economic assistance to Afghanistan by requiring the President to certify that the Afghan government is cooperating fully with counternarcotics efforts prior to the obligation of funds or to issue a national security waiver (see “Certification Requirements” below).

**Table 2. Counternarcotics Appropriations and Requests, Afghanistan FY2009-FY2011**

(Current \$, millions)

Account <sup>a</sup>	FY2009 Actual	FY2010 Estimate		FY2011 Request
		Base	Supplemental Request	
International Narcotics Control and Law Enforcement (INCLE) <sup>b</sup>	296.50	257.60	25.00	250.60
Economic Support Funds (ESF)	164.60	209.93	135.00	185.00
Department of Defense Counterdrug Activities <sup>c</sup>	215.67	324.60	94.00	457.10
<b>Total</b>	<b>\$676.77</b>	<b>\$1,046.13</b>		<b>\$892.70</b>

**Source:** Congressional Budget Justifications for Foreign Operations Requests; Office of the Undersecretary of Defense (Comptroller), Justification Materials; and, CRS communications with Office of the Secretary of Defense and Department of State Bureau of Legislative Affairs, 2007 through March 2010.

**Notes:**

- a. Figures for State Department administered accounts (INCLE, ESF, DA) reflect amounts designated for the ‘Counternarcotics’ program area, under the ‘Peace and Security’ objective in the State Department’s foreign assistance framework. Other funds appropriated in those and other accounts also may contribute to the achievement of U.S. counternarcotics objectives. For more information on the State Department foreign assistance framework, see CRS Report R40213, *Foreign Aid: An Introduction to U.S. Programs and Policy*, by (name redacted) and Marian Leonardo Lawson.
- b. Includes INCLE funds for counternarcotics, police, and justice programs.
- c. Figures for FY 2009 Department of Defense Counterdrug Activities denote funds used for programs in Afghanistan, Pakistan, Turkmenistan, Kyrgyzstan, Tajikistan, and “other regional support” in the CENTCOM area of responsibility. Figures for FY2010 and FY2011 denote Defense counterdrug requests for Overseas Contingency Operations.

## Issues for Congress

Experts and government officials have warned that narcotics trafficking jeopardizes international efforts to secure and stabilize Afghanistan. U.S. officials believe that efforts to reverse the related trends of opium cultivation, drug trafficking, corruption, and insecurity must expand if broader strategic objectives are to be achieved. A broad U.S. interagency initiative to assist Afghan authorities in combating the narcotics trade has been developed, and some officials argue that the U.S. efforts have been effective in areas where all elements of the strategy have been advanced simultaneously. However, in many areas, regional insecurity and corruption continue to prevent or complicate counternarcotics initiatives and thus present formidable challenges.

Primary issues of interest to Congress include program funding, the role of the U.S. military, and the scope and nature of eradication, interdiction, and development assistance initiatives. During the term of the 110<sup>th</sup> Congress, the Bush Administration argued that insecurity in key opium poppy producing areas, delays in building and reforming Afghan institutions, and widespread Afghan corruption continued to prevent full implementation of U.S. and Afghan counternarcotics strategies. The Obama Administration and the 111<sup>th</sup> Congress have devoted new resources to counternarcotics efforts as part of an expanded civilian and military effort to bring stability to Afghanistan. The shift toward a civilian-military counterinsurgency strategy has created new challenges and opportunities for Afghan and U.S. counternarcotics efforts.

## Breaking the Narcotics-Insecurity Cycle

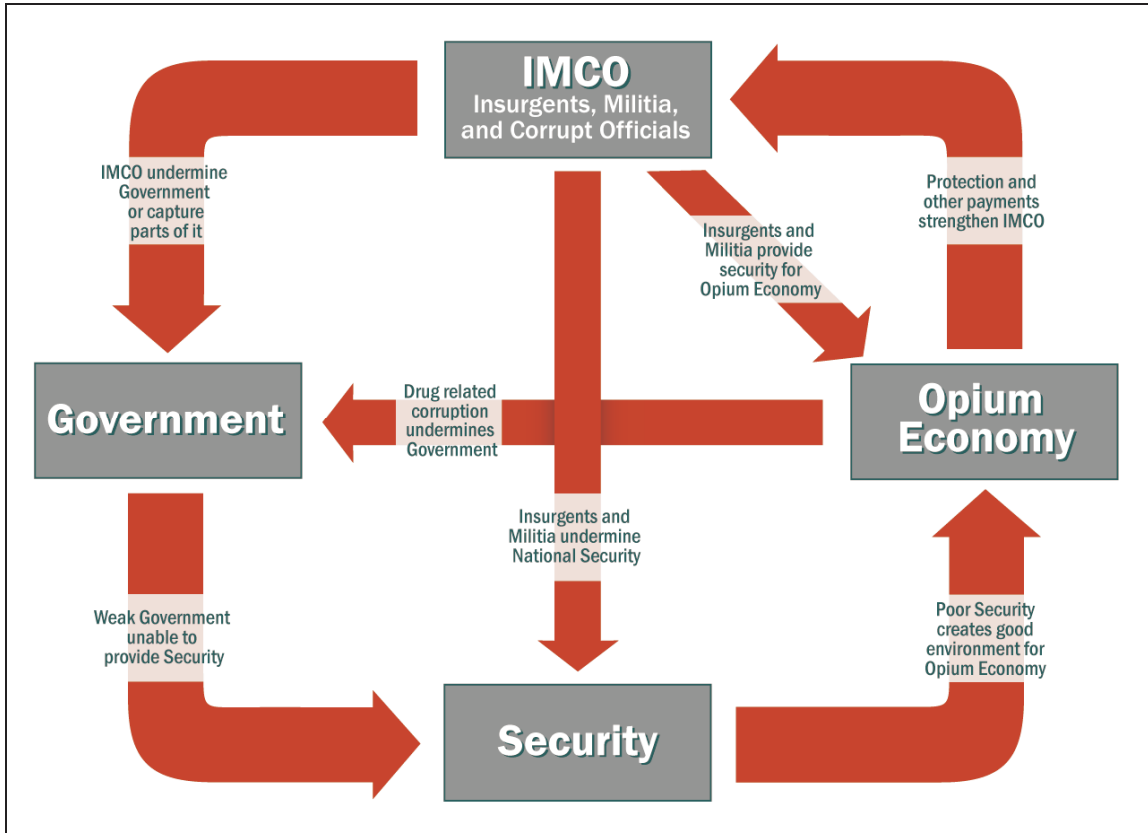
Narcotics trafficking and political instability remain intimately linked in Afghanistan. U.S. officials have identified narcotics trafficking as a primary barrier to the establishment of security and consider insecurity to be a primary barrier to successful counternarcotics operations. The narcotics trade fuels three corrosive trends that have undermined the stability of Afghan society and limited progress toward reconstruction since 2001. First, narcotics proceeds can corrupt police, judges, and government officials and prevent the establishment of basic rule of law in many areas. Second, the narcotics trade can provide the Taliban and other insurgents with funding and arms that support their violent activities. Third, corruption and violence can prevent reform and development necessary for the renewal of legitimate economic activity. In the most conflict-prone areas, symbiotic relationships between narcotics producers, traffickers, insurgents, and corrupt officials can create self-reinforcing cycles of violence and criminality (see **Figure 4**). Across Afghanistan, the persistence of these trends undermines Afghan civilians' confidence in their local, provincial, and national government institutions.

Critics of counternarcotics efforts to date have argued that Afghan authorities and their international partners have been reluctant to directly confront prominent individuals and groups involved in the opium trade because of their fear that confrontation will lead to internal security disruptions or expand armed conflict to include drug-related groups.<sup>10</sup> Indeed, conflict and regional security disruptions have accompanied some efforts to expand crop eradication programs and to implement interdiction and alternative livelihood policies.

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<sup>10</sup> In the past, Afghan authorities have expressed their belief that “the beneficiaries of the drugs trade will resist attempts to destroy it,” and have argued that “the political risk of internal instability caused by counternarcotics measures” must be balanced “with the requirement to project central authority nationally” for counternarcotics purposes. See National Drug Control Strategy, Transitional Islamic State of Afghanistan, May 18, 2003.

Figure 4. Narcotics, Corruption, and Security in Afghanistan



Source: Adapted and updated by CRS from World Bank, Afghanistan: State Building, Sustaining Growth, and Reducing Poverty, Country Economic Report No. 29551-AF September 9, 2004, p. 87.

The Obama Administration has incorporated more robust interdiction efforts and targeted major drug trafficking figures as a component of an expanded counterinsurgency strategy. For years, U.S. officials have identified rural security and national rule of law as prerequisites for effective counternarcotics policy implementation, while simultaneously identifying narcotics as a primary threat to security and stability. As early as 2005, the State Department was arguing that:

“Poppy cultivation is likely to continue until responsible governmental authority is established throughout the country and until rural poverty levels can be reduced via provision of alternative livelihoods and increased rural incomes.... Drug processing and trafficking can be expected to continue until security is established and drug law enforcement capabilities can be increased.”<sup>11</sup>

Although an increasing number of Afghan police, security forces, and counternarcotics authorities have been trained by U.S. and coalition officials, the limited size and capability of Afghan forces rendered them unable to effectively and independently challenge entrenched drug-trafficking groups and insurgents. For years, Afghan security and counternarcotics forces alone proved unable to establish the security conditions necessary for the more robust interdiction and alternative livelihood programs planned by U.S. and Afghan officials. Current coalition military operations in areas like central Helmand province—the poppy growing heartland of

<sup>11</sup> Department of State, INCSR, March 2005.

Afghanistan—seek to establish security conditions for the Afghan government to assert its authority and, working in conjunction with U.S. and other international partners, to disrupt reinforcing relationships between insurgents and narcotics traffickers.

## **Balancing Counterterrorism, Counterinsurgency, and Counternarcotics**

In pursuing counterterrorism and counterinsurgency objectives, Afghan and coalition authorities consider difficult political choices when confronting corrupt officials, militia leaders, narcotics traffickers, and poppy farmers. These choices have changed over time as the conflict in Afghanistan has evolved and differ from region to region. Regional and local militia commanders with alleged links to the opium trade played significant roles in initial post-9/11 coalition efforts to undermine the Taliban regime and capture Al Qaeda operatives, particularly in southern and southeastern Afghanistan.<sup>12</sup> Some of these figures and their political allies were subsequently incorporated into government and security structures, including positions of responsibility for enforcing counternarcotics policies.<sup>13</sup> For example, the current governor of Nangarhar province, Gul Agha Sherzai, is now credited with effectively enforcing bans on poppy cultivation and supporting anti-drug-trafficking efforts. However, in 2001 and 2002, as governor of his native Kandahar province, he was alleged to have maintained a close relationship with an alleged Taliban-associated narcotics kingpin that has been indicted on drug-trafficking charges in the United States.<sup>14</sup>

In areas that enjoyed relative security prior to the more recent Taliban resurgence, Afghan government officials, provincial leaders, and international partners faced difficult decisions about implementing counternarcotics enforcement policies. Forced eradication, whether by central government or provincial government forces, risked antagonizing local populations with marginal economic alternatives and created opportunities for patronage and corruption on the part of those choosing eradication targets and enforcing the policy. Similarly, interdiction targets multiplied as the country's opium economy erupted and expanded, but corruption and the strengthening of trafficking groups created significant potential political and security costs for officials contemplating interdiction and anti-corruption responses. Pragmatic decisions taken since 2001 to prioritize counterterrorism operations and maintain relationships with figures known to benefit from the drug trade compounded these challenges in some areas, as tactical coalition allies

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<sup>12</sup> According to Afghanistan scholar Barnett Rubin, “the empowerment and enrichment of the warlords who allied with the United States in the anti-Taliban efforts, and whose weapons and authority now enabled them to tax and protect opium traffickers,” have provided the opium trade “with powerful new protectors.” Rubin, “Road to Ruin: Afghanistan’s Booming Opium Industry,” October 7, 2004.

<sup>13</sup> See Syed Saleem Shahzad, “U.S. Turns to Drug Baron to Rally Support,” *Asia Times*, December 4, 2001; Charles Clover and Peronet Despeignes, “Murder Undermines Karzai Government,” *Financial Times*, July 8, 2002; Susan B. Glasser, “U.S. Backing Helps Warlord Solidify Power,” *Washington Post*, February 18, 2002; Ron Moreau and Sami Yousafzai, with Donatella Lorch, “Flowers of Destruction,” *Newsweek*, July 14, 2003; Andrew North, “Warlord Tells Police Chief to Go,” *BBC News*, July 12, 2004; Steven Graham, “Group: Warlords to Hinder Afghan Election,” *Associated Press*, September 28, 2004; and Anne Barnard and Farah Stockman, “U.S. Weighs Role in Heroin War in Afghanistan,” *Boston Globe*, October 20, 2004.

<sup>14</sup> *CBS Evening News*, “Newly Arrived US Army Soldiers Find it Difficult to Adjust...,” February 7, 2002; Mark Corcoran, “America’s Blind Eye,” Australian Broadcasting Corporation, *Foreign Correspondent*, April 10, 2002; and Steve Inskeep, “Afghanistan’s Opium Trade,” National Public Radio, April 26, 2002.

inhibited the ability of the central government to extend its authority and enforce its counternarcotics policies.<sup>15</sup>

U.S. and Afghan officials have been increasingly adamant in stating that the Taliban resurgence that has unfolded since early 2006 has been supported in part by narcotics proceeds and that narcotics-related corruption undermines the effectiveness of Afghan security forces. However, current plans to employ counterinsurgency tactics against the Taliban and enforce counternarcotics policies more strictly also may conflict with each other, forcing Afghan and coalition authorities to manage competing priorities. Coalition military operations in Helmand province, and specifically U.S. Marine operations in Marjah and the surrounding districts of Nade Ali and Garm Ser (see below), have illustrated these challenges. One senior Defense Department official has argued that U.S. counternarcotics strategy in Afghanistan must recognize “the impact the drug trade has on our other policy objectives, while complementing (and not competing with) our other efforts in furtherance of those objectives.”<sup>16</sup> Striking such a balance may continue to create challenges for the United States and its allies.

## **Defining the Role of the U.S. Military and ISAF**

Debate over the role of the U.S. military and coalition forces in the International Security Assistance Force has shifted as the roles and missions of those forces have changed. The initial focus on counterterrorism (CT) led military forces to view the narcotics trade as a contingent priority, while the shift toward a counterinsurgency (COIN) approach has dictated an increased role for the military in eliminating narcotics targets providing support for the Taliban and other anti-government forces.

### **Targeting and Enforcement**

For years, some observers argued that U.S., coalition, and NATO military forces should play an active, direct role in targeting the leaders and infrastructure of the opiate trade. For example, following the announcement of record poppy cultivation and opium production in 2005-2006, UNODC Director Antonio Maria Costa called for direct NATO military involvement in counternarcotics enforcement operations in Afghanistan. Arguments in favor of coalition involvement in counternarcotics enforcement activities often cited the limited capabilities of Afghan security forces and held that coalition forces able to take action against narcotics traffickers should do so in the interest of Afghanistan’s national security and coalition goals.

In general, opponents of a direct enforcement role for U.S., coalition, or NATO forces claimed that such a role would alienate forces from the Afghan population, jeopardize ongoing counterterrorism missions that require local Afghan intelligence support, and divert limited coalition military resources from direct counter-insurgent and counterterrorism operations. Others in the U.S. government and in Congress opposed direct military involvement in counternarcotics enforcement activities based on concerns about maintaining distinct authorities and capabilities

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<sup>15</sup> The 2007 UNODC Afghanistan Opium Survey argued that “in the provinces bordering with Pakistan, tacit acceptance of opium trafficking by foreign military forces as a way to extract intelligence information and occasional military support in operations against the Taliban and Al-Qaida undermines stabilization efforts.”

<sup>16</sup> Testimony of Mary-Beth Long, then-Deputy Assistant Secretary of Defense for Counternarcotics before the House Committee on International Relations, March 17, 2005.



among agencies. For example, the House report on the FY2007 Defense authorization bill argued that the Defense Department “must not take on roles in which other countries or other agencies of the U.S. Government have core capabilities” with regard to counternarcotics in Afghanistan.

During the George W. Bush Administration, U.S. Central Command (CENTCOM) officials indicated that Defense Department counternarcotics programs in Afghanistan were “a key element of our campaign against terrorism.”<sup>17</sup> However, U.S. military officials largely resisted the establishment of a direct counternarcotics enforcement role for U.S. forces owing to limited resources and concerns about exacerbating security threats. As late as 2006, former NATO Commander and current National Security Adviser General James Jones advanced the idea that counternarcotics enforcement was “not a military mission,” and stated that “having NATO troops out there burning crops” was “not going to significantly contribute to the war on drugs.”<sup>18</sup>

Until October 2008, NATO International Security Assistance Force (ISAF) directives precluded direct military action against narcotics targets such as traffickers and laboratories.<sup>19</sup> Changes in authorization agreed to in Budapest during an October 2008 meeting and subsequent consultations now allow ISAF forces to take action against insurgency-linked narcotics targets if they so choose and if authorized under their own domestic laws.<sup>20</sup>

According to the Department of Defense, U.S. military forces have long been authorized to seize narcotics and related supplies encountered during the course of normal stability and counterterrorism operations. Those basic rules of engagement have been changed, but the Defense Department does not publicly disclose details on the content of the changes.<sup>21</sup> Defense Department policy guidance issued in December 2008 states that Department personnel “will not directly participate in searches, seizures, arrests, or similar activity unless such personnel are otherwise authorized by law” with the exception of the provision of force protection “up to and including on the objective.”<sup>22</sup> According to the guidance, Department personnel may accompany U.S. or host nation law enforcement and security forces on counternarcotics field operations within presidentially declared combat zones. Executive Order 13239 (issued December 12, 2001,

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<sup>17</sup> “U.S. CENTCOM views narcotrafficking as a significant obstacle to the political and economic reconstruction of Afghanistan... Local terrorist and criminal leaders have a vested interest in using the profits from narcotics to oppose the central government and undermine the security and stability of Afghanistan.” Major Gen. John Sattler, USMC, Dir. of Operations-US CENTCOM before the House Committee on Government Reform Subcommittee on Criminal Justice, Drug Policy, and Human Resources, April 21, 2004.

<sup>18</sup> Lolita C. Baldor, “NATO to Provide More Afghanistan Troops,” *Associated Press*, September 20, 2006.

<sup>19</sup> In response, Pentagon press secretary Geoff Morrell stated that, “Secretary Gates is extremely pleased that, after two days of thoughtful discussion, NATO has decided to allow ISAF forces to take on the drug traffickers who are fueling the insurgency, destabilizing Afghanistan, and killing our troops.” Judy Dempsey, “NATO allows strikes on Afghan drug sites Ministers agree to major strategic shift,” *International Herald Tribune*, October 11, 2008.

<sup>20</sup> In conjunction with the decision, ISAF released the following statement: “Based on the request of the Afghan government, consistent with the appropriate United Nations Security Council resolutions, under the existing operational plan, ISAF can act in concert with the Afghans against facilities and facilitators supporting the insurgency, in the context of counternarcotics, subject to authorization of respective nations.” NATO Press Release, “NATO steps up counter-narcotics efforts in Afghanistan,” October 10, 2008.

<sup>21</sup> Rules of engagement generally are outlined in classified documents. Author consultations with Department of Defense officials, February and September 2009.

<sup>22</sup> U.S. Department of Defense, Memorandum: Department of Defense International Counternarcotics Policy, December 24, 2008.

effective as of September 19, 2001) designated Afghanistan and the airspace above it as combat zones.<sup>23</sup>

In August 2009, the Senate Foreign Relations Committee released a report containing statements from unnamed U.S. military officers and officials that provides an unconfirmed account of how the new U.S. military policy on counternarcotics enforcement may be being applied in Afghanistan. According to the report

two U.S. generals in Afghanistan said that the ROE [rules of engagement] and the internationally recognized Law of War have been interpreted to allow them to put drug traffickers with proven links to the insurgency on a kill list, called the joint integrated prioritized target list. The military places no restrictions on the use of force with these selected targets, which means they can be killed or captured on the battlefield; it does not, however, authorize targeted assassinations away from the battlefield. The generals said standards for getting on the list require two verifiable human sources and substantial additional evidence. Currently, there are roughly 50 major traffickers who contribute funds to the insurgency on the target list.<sup>24</sup>

The Defense Department has declined to comment on the specific statements included in the Senate report. However, a Pentagon spokesman said that “there is a positive, well-known connection between the drug trade and financing for the insurgency and terrorism,” and, it is “important to clarify that we are targeting terrorists with links to the drug trade, rather than targeting drug traffickers with links to terrorism.”<sup>25</sup> Thus far, U.S. and ISAF officials have declined to offer further public comment on the specific criteria currently used for targeting individuals associated with both the drug trade and insurgency.

Some observers have questioned the legal basis for the targeting of so-called “nexus targets” based on international humanitarian law (IHL), which generally prohibits the direct use of force against civilians unless and for so long as they are directly participating in hostilities.<sup>26</sup> Under this view, drug traffickers could be subject to direct military attack only if they are considered to be active members of the armed forces of a party to the conflict or if they are considered to be civilians directly participating in hostilities. In July 2009, the International Committee of the Red Cross (ICRC) released nonbinding interpretive guidance on the notion of direct participation in hostilities under IHL.<sup>27</sup> The guidance states that individuals involved with the “purchase, production, smuggling and hiding of weapons; general recruitment and training of personnel; and financial, administrative or political support to armed actors” retain the protected status against

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<sup>23</sup> The other combat zone with potential relevance to counternarcotics operations in Afghanistan was created January 17, 1991, in Executive Order 12744. The order designated the following areas (including air space and adjacent waters) as combat zones: Persian Gulf; Red Sea; Gulf of Oman; Gulf of Aden; that portion of the Arabian Sea that lies north of 10 degrees N. Lat., and west of 68 degrees E. Long.; and the total land areas of Iraq, Kuwait, Saudi Arabia, Oman, Bahrain, Qatar, and the United Arab Emirates.

<sup>24</sup> “Afghanistan’s Narco-War: Breaking the Link Between Drug Traffickers and Insurgents,” Report to the Committee on Foreign Relations, United States Senate, August 10, 2009.

<sup>25</sup> James Risen, “U.S. to Hunt Down Afghan Drug Lords Tied to Taliban,” *New York Times*, August 10, 2009

<sup>26</sup> See, for example, the concerns expressed in February 2009 when purported NATO operational guidance addressing narcotics targets was leaked. Susanne Koelbl, “Battling Afghan Drug Dealers: NATO High Commander Issues Illegitimate Order to Kill,” *Speigel Online*, January 28, 2009; and Matthias Gebauer and Susanne Koelbl, “Battling Drugs In Afghanistan: Order to Kill Angers German Politicians,” *Speigel Online*, January 29, 2009.

<sup>27</sup> Available at: [[http://www.icrc.org/Web/eng/siteeng0.nsf/htmlall/direct-participation-report\\_res/\\$File/direct-participation-guidance-2009-icrc.pdf](http://www.icrc.org/Web/eng/siteeng0.nsf/htmlall/direct-participation-report_res/$File/direct-participation-guidance-2009-icrc.pdf)].

direct military attack that all civilians enjoy unless such acts qualify as “preparatory measures aiming to carry out a specific hostile act” and are “specifically designed to [inflict harm] in support of a party to an armed conflict and to the detriment of another.”<sup>28</sup> Press reports, field surveys, and coalition military statements suggest that some individuals and groups involved in narcotics trafficking provide varying levels of support to some anti-Afghan government forces, which may or may not include direct participation in hostilities on a case-by-case basis.

Expanded counternarcotics roles for the U.S. military, whether under U.S. command, or as a component of ISAF, may lead to requests for more resources. The January 2009 Defense Department report on stability and security in Afghan argued that:

Use of limited forces in Afghanistan is a zero-sum endeavor. A shift in force application from one mission set to another comes with a cost of a reduction of available forces for the former mission set. A shift of limited assets may result in a degradation of the [counterinsurgency] COIN mission. At the same time, the COIN mission cannot be addressed effectively without engaging in the [counternarcotics] CN mission. Additional resources, targeted to the CN mission, would be needed to expand direct DoD support to counternarcotics operations.<sup>29</sup>

The July 2009 report echoed this assessment, arguing that “care must be taken in shifting limited assets out of CT COIN or the CT-COIN nexus into purely CN activities. Such a shift would detract from the former mission and likely result in detrimental effects on the population as military force is applied to purely civilian-criminal narcotics activities.” Administration officials have not clearly defined the distinction between so called “nexus targets” that support the insurgency and what it considers “purely civilian-criminal narcotics activities,” particularly with regard to narcotics-related government corruption. According to the April 2010 report to Congress on current U.S. strategy and operations in Afghanistan, “The Government of Afghanistan has the lead in all CN operations and partners with ANSF, U.S., and international forces to target narcotics traffickers and facilities known to support the insurgency.”

#### **Operation MOSHTARAK and Marja Accelerated Agricultural Transition Program**

U.S. military operations in Helmand province have brought U.S. forces into direct contact with communities and individuals at the epicenter of the poppy cultivation and opiate trafficking economies in Afghanistan. Adapting military operations and counternarcotics policies to fit the needs of the overarching civilian-military counterinsurgency campaign plan in Helmand have proven challenging and have required flexibility and ingenuity on the part of Afghan and U.S. personnel. U.S.-assisted counternarcotics raids in central Helmand province during 2009 disrupted narcotics trafficking operations and netted large seizures of opiates and pre-cursor chemicals used in the production of morphine and heroin. The Department of Defense reports that, in advance of the planned Operation MOSHTARAK in early 2010, narcotics traffickers “began buying significant amounts of stocks, settling debts, and closing and moving their businesses to avoid risk of impending interdiction.”<sup>30</sup> The Administration observed that “buyers and

<sup>28</sup> Ibid. For a discussion of the ICRC’s three core criteria - threshold of harm, direct causation and belligerent nexus - see pages 46-64. According to the guidance, “Acts amounting to direct participation in hostilities must meet three cumulative requirements: (1) a threshold regarding the harm likely to result from the act, (2) a relationship of direct causation between the act and the expected harm, and (3) a belligerent nexus between the act and the hostilities conducted between the parties to an armed conflict.” The guidance argues that, “In line with the distinction between direct and indirect participation in hostilities, it could be said that preparatory measures aiming to carry out a specific hostile act qualify as direct participation in hostilities, whereas preparatory measures aiming to establish the general capacity to carry out unspecified hostile acts do not.”

<sup>29</sup> U.S. Department of Defense, Progress toward Security and Stability in Afghanistan, Report to Congress pursuant to Section 1230 of the 2008 National Defense Authorization Act (P.L. 110-181), January 2009, p. 99.

transporters have demonstrated that they are unwilling to absorb sustained risk and the narcotics business has significantly decreased in the corresponding operational areas.” The Administration believes that the “suppressing effect” of military operations in key poppy growing and opiate trafficking areas “creates a window of opportunity to further separate the insurgent criminal nexus from the population.”

Managing the economic and political effects of recent military interventions in a major poppy growing area of Helmand like Marja underscored the competing priorities inherent to the simultaneous pursuit of counterinsurgency and counternarcotics goals. As 2<sup>nd</sup> Marine Expeditionary Brigade commander Brig. Gen. Lawrence Nicholson stated, “When we went into Marja, we didn’t declare war on the poppy farmer.”<sup>31</sup> Nevertheless, ISAF strategic planners, the Marines, and State Department advisers all recognized that Operation MOSHTARAK “disrupted the economic cycle of Marja” by halting the cultivation of poppy. Amid pressure from the Afghan government to introduce forced eradication measures, U.S. personnel implemented a temporary program known as the Marja Accelerated Agricultural Transition Program that would compensate farmers that destroyed their crops and committed not to cultivate in the future in exchange for a payment of \$300 per hectare derived from U.S. Commanders Emergency Response Program (CERP) funds.<sup>32</sup> The program is an experiment in balancing the overarching desire to extend government authority with a recognition of the negative economic and political consequences of counterinsurgency operations in key poppy growing areas. Critics of similar compensation programs have argued that payments create perverse incentives for others to grow poppy in pursuit of self-eradication payments. U.S. forces and officials have been strenuous in asserting that the Marja program was a unique response to a unique situation and have committed to carefully monitoring its results as an indication of the program’s potential value and costs for future operations.

## Defense Authorization and the Provision of Equipment and Weaponry

From 2002 through 2009, Congress and the Bush Administration gradually expanded the role for U.S. military forces in training, equipping, and providing intelligence and airlift support for Afghan counternarcotics teams. To date, Defense Department authorizations for counternarcotics activities in Afghanistan have been provided via reference to Section 1033 of the Defense Authorization Act for FY1998 (P.L. 105-85, as amended) and Section 1004 of the Defense Authorization Act for FY1991 (P.L. 101-510, as amended). Both acts have been amended on a semiannual basis to extend existing authorizations into subsequent fiscal years, to expand the authorities to include new countries, and, as written, to require reauthorization to extend beyond the end of FY2006. Since 2005, other legislative proposals to expand Defense Department counternarcotics authorities in Afghanistan have been considered, but not adopted.<sup>33</sup> The FY2009 Defense Authorization Act (P.L. 110-417) restated the existing authorizations and reauthorized the Secretary of Defense to provide non-lethal counternarcotics assistance to Afghanistan and a number of its neighbors (and other countries) through FY2009. The FY2010 authorization (P.L.

(...continued)

<sup>30</sup> U.S. Department of Defense, *Progress toward Security and Stability in Afghanistan*, Report to Congress pursuant to Section 1230 of the 2008 National Defense Authorization Act (P.L. 110-181), April 2010, p. 76.

<sup>31</sup> U.S. Marine Corps, Press Release, “Marines Try Unorthodox Tactics To Disrupt Afghan Opium Harvest,” April 14, 2010.

<sup>32</sup> C.J. Chivers, “In Afghan Fields, a Challenge to Opium’s Luster,” *New York Times*, May 23, 2010.

<sup>33</sup> The conference report (H.Rept. 109-360) on the Defense Authorization Act for FY2006 (P.L. 109-163) did not include a provision that was included in the Senate version of the bill (S. 1042, Section 1033) that would have authorized the Defense Department to provide a range of technical and operational support to Afghan counternarcotics authorities under Section 1004 of the Defense Authorization Act for FY1991 (P.L. 101-510). The Senate version would have authorized “the use of U.S. bases of operation or training facilities to facilitate the conduct of counterdrug activities in Afghanistan” in response to the Defense Department’s request “to provide assistance in all aspects of counterdrug activities in Afghanistan, including detection, interdiction, and related criminal justice activities.” (S.Rept. 109-69) This would have included transportation of personnel and supplies, maintenance and repair of equipment, the establishment and operation of bases and training facilities, and training for Afghan law enforcement personnel.

111-84) extended the authorization through FY2010 and requires the submission of a counter-drug plan for each fiscal year support is provided.

Section 1021 of the Defense Authorization Act for FY2004 (P.L. 108-136) added Afghanistan to the list of countries eligible for transfers of non-lethal Defense Department counternarcotics equipment authorized under Section 1033 of the Defense Authorization Act for FY1998 (P.L. 105-85). The FY2005 and FY2006 supplemental appropriations acts (P.L. 109-13 and P.L. 109-234) further authorized the provision of individual and crew-served weapons, ammunition, vehicles, aircraft, and detection, interception, monitoring and testing equipment to Afghan counternarcotics forces. To date, .50-caliber machine guns have been provided along with night vision equipment and a range of other supplies. Afghan counternarcotics forces have requested further weaponry in response to attacks by well armed and supplied trafficking groups. The FY2009 Defense Authorization Act (P.L. 110-417) reauthorized provision of .50-caliber and lighter crew-served weaponry and ammunition through FY2009. The FY2010 authorization (P.L. 111-84) extended the authorization through FY2010. The House version of the FY2011 defense authorization (H.R. 5136), would extend existing authorities and reporting requirements through FY2011.

## **Alternative Livelihoods and Development**

As noted above, the Obama Administration has highlighted alternative livelihood and agricultural development assistance as a key component of its new strategic priorities in Afghanistan. USAID's current alternative livelihood programs are based on a two-track approach. In areas that have reduced poppy cultivation in the north, east, and west of the country, USAID and its contracting partners are seeking to provide broad-based agricultural development assistance designed to consolidate positive changes in poppy cultivation patterns. The \$150 million Incentives Driving Economic Alternatives for the North East, and West (IDEA-NEW) program is planned to run through FY2014. In southern and eastern areas of the country where counterinsurgency operations are ongoing amid continued poppy cultivation and drug production, USAID and its contracting partners plan to provide more targeted, quick-impact agricultural and development assistance as a means of reinforcing efforts to secure newly cleared areas.<sup>34</sup> The \$300 million Afghanistan Vouchers for Increased Production in Agriculture (AVIPA-Plus) program is scheduled to run through FY2010 and includes initiatives coordinated with U.S. counterinsurgency operations in Helmand and Kandahar provinces.

Obama Administration officials have stated that "part of making the counternarcotics strategy more effective will be working a lot harder on crop substitution," which has been an area of congressional interest in the past.<sup>35</sup> The U.S. Department of Agriculture (USDA) has expanded its presence in country in support of new USAID programs, and USDA officials now serve as part of a consolidated interagency agriculture policy team based in Kabul.<sup>36</sup>

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<sup>34</sup> Author consultation with USAID Afghanistan Desk, September 2009.

<sup>35</sup> Remarks By Undersecretary of Defense for Policy Michele Flournoy, Brookings Institution, Washington, D.C., Federal News Service, March 27, 2009. The House report on H.R. 2765 (H.Rept. 110-197) directed the Secretary of State to initiate a pilot crop substitution program in "an area in which poppy production is prevalent."

<sup>36</sup> Author consultation with USAID Afghanistan Desk, September 2009. Basic information on current USDA activities in Afghanistan is available at: <http://www.fas.usda.gov/ICD/drd/afghanistan.asp>.

### **Helmand: Food Zone Program**

Helmand Governor Gulab Mangal, USAID, and the United Kingdom have developed a targeted alternative development effort in Helmand province known as the “Food Zone” program. The initiative is geared toward low income farmers in a series of zones in the fertile poppy producing areas along the Helmand river covering a 27,000 hectare area that stretches from Gareshk in the north through the provincial capital of Lashkar Gah to Garm Ser in the south. The program includes the distribution of improved seeds and fertilizer along with technical assistance during planting, tending, and harvest periods. Beneficiary farmers are required to sign pledges to not grow poppy, and strong eradication efforts have been introduced to areas not participating in the program. Governor Mangal is credited with having led an effective administration as the governor of Laghman Province and is viewed by U.S. officials as committed to achieving counternarcotics goals in Afghanistan’s main poppy producing province. The UNODC 2009 Opium Survey cites independent survey data that suggests that the significant decrease in poppy cultivation in Helmand during 2009 occurred mostly in the Food Zone, whereas cultivation was observed to increase by as much as 8% outside of the Zone.

## **Eradication**

### **Central Government and Governor-Led Eradication**

The Obama Administration has “phased out” U.S. support for poppy eradication efforts in Afghanistan in line with its strategic review and the judgment of Administration officials that eradication programs were not cost efficient and that eradication activities often proved counterproductive. The policy change comes after years of debate in Washington, DC, Kabul, and across Europe about the relative merits and drawbacks of supporting Afghan government poppy eradication efforts.

Proponents of forced eradication have long argued that destroying large portions of Afghanistan’s opium poppy crops is necessary in order to establish and maintain a credible deterrent for farmers and landowners in line with Afghan law. Critics of forced eradication argued in response that eradication in the absence of existing alternative livelihood options for Afghan farmers contributes to the likelihood that farmers will continue to cultivate opium poppy in the future and may encourage some farmers and landowners to support anti-government elements, including the Taliban.

To date, U.S. and Afghan authorities have maintained that the Central Poppy Eradication Force and governor-led eradication programs have been effective in deterring and reducing some opium poppy cultivation. However, given recurrent clashes between eradication forces and farmers and accounts of selective, politicized eradication efforts by local authorities, other observers and officials have expressed concern about the safety and effectiveness of current ground-based eradication efforts. The Bush Administration sought to improve eradication results by embedding “poppy elimination” teams (now referred to as Counternarcotics Advisory Teams or CNATs) in key opium poppy growing provinces to monitor and advise on early season, locally executed eradication activities. The strategy was designed to minimize violent farmer resistance to central government forces and give farming families time to plant replacement cash crops.

The Obama Administration redirected roughly \$150 million in FY2009 INCLE funding from support to central poppy eradication efforts to other initiatives, including interdiction operations, public information campaigns, and advisory efforts by CNAT personnel.<sup>37</sup> Air assets previously

<sup>37</sup> Author consultations with State and Defense Department personnel, September 2009.

used for air support and medivac purposes may be redirected to support Afghan-DEA interdiction operations. The 600-person Central Poppy Eradication Force has been disbanded and its personnel were redirected to other activities—initially election security—but may resume some counternarcotics security functions. The Counternarcotics Infantry Kandak (CNIK) created to secure poppy eradication operations may be redirected to support other counternarcotics or security operations. Accounts suggest that the Obama Administration’s decision to “phase out” U.S. support to eradication efforts has not eliminated the Afghan government’s commitment to continue to support eradication efforts by Afghan governors. The April 2010 Administration report to Congress on security and stability in Afghanistan notes that “the Afghan Government managed to eradicate 647 hectares of poppy in Helmand and Farah during the first quarter of 2010” through operations planned and implemented by the Ministry of Counter Narcotics and provincial governors.

### **Manual or Aerial Herbicide-based Eradication**

Afghan and U.S. authorities discussed the introduction of aerial herbicide-based eradication to Afghanistan in late 2004, but decided against initiating a program in early 2005 due to financial, logistical, and political considerations. Since 2006, ground-based eradication results have varied drastically based on location and local political and security conditions. This has led some to renew their calls for the introduction of stronger eradication methods, including the use of herbicides to kill poppy plants. With the Obama Administration’s policy changes in place, the prospects for such a program look increasingly unlikely. Nevertheless, policy makers and Members of Congress may engage in further debate concerning options for using herbicides for manual or aerial poppy eradication and their possible risks and rewards.

In the past, Afghan President Hamid Karzai has expressed categorical opposition to the use of aerial eradication, citing public health and environmental safety concerns.<sup>38</sup> The 2006 Afghan national drug control strategy also stated that the Afghan government “has also decided that eradication must only be delivered by manual or mechanical ground based means.”<sup>39</sup> Bush Administration officials argued for more widespread and non-negotiated eradication operations and stated that while herbicides may be efficient and safe, U.S. officials would follow the decisions of Afghan officials concerning their potential use. Since FY2005, Congress has sought to prohibit or condition the use of appropriated funds to support aerial herbicide spraying in Afghanistan. In the 111<sup>th</sup> Congress, the Omnibus Appropriations Act, 2009 (H.R. 1105; P.L. 111-8) specifies that:

none of the funds appropriated under this heading for assistance for Afghanistan may be made available for eradication programs through the aerial spraying of herbicides unless the Secretary of State determines and reports to the Committees on Appropriations that the President of Afghanistan has requested assistance for such aerial spraying programs for counternarcotics or counterterrorism purposes.

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<sup>38</sup> Office of the Spokesperson to the President—Transitional Islamic State of Afghanistan, “About the Commitment by the Government of Afghanistan to the Fight Against Narcotics and Concerns About the Aerial Spraying of Poppy Fields.” In January 2007, President Karzai announced that any herbicide-based eradication efforts would be delayed, and presidential spokesmen have since repeated their criticism of herbicides on numerous occasions. It was unlikely that President Karzai would have approved a controversial measure such as aerial eradication in the run up to the 2009 presidential election and he has not indicated support for such a policy since his reelection.

<sup>39</sup> Afghanistan Ministry of Counternarcotics, Updated NDCS, January 2006, p. 21.

The Act further requires the Secretary of State to consult with the Committees on Appropriations prior to the obligation of funds for an aerial eradication programs in the event that such a determination is made.

## **Counternarcotics Assistance Certification and Reporting Requirements**

Since 2002, funding for U.S. counternarcotics operations in Afghanistan has consisted of U.S. program costs and financial and material assistance to Afghan counternarcotics organizations. Although poppy cultivation and drug trafficking were widespread prior to the fall of the Taliban regime, U.S. counternarcotics programs in the region were limited, and focused on eliminating poppy cultivation and supporting interdiction activities in neighboring countries. U.S. funding for counternarcotics programs in Afghanistan did not increase dramatically until FY2005, when the Bush Administration submitted requests to Congress for funding to support the introduction of its five pillar counternarcotics strategy (See **Table 2** above.).

### **Certification Requirements**

Since 2006, Congress has placed conditions on some amounts of U.S. economic assistance to Afghanistan by requiring the President to certify that the Afghan government is cooperating fully with counternarcotics efforts prior to the obligation of funds or to issue a national security waiver. The conditions serve as signal of congressional views that U.S. assistance should not be given to a government not fully cooperating with U.S. counternarcotics efforts unless U.S. national security would be jeopardized if assistance were withheld. The 2006 Foreign Operations Appropriations Act (P.L. 109-102) stated that no more than \$225 million in Economic Support Fund (ESF) assistance could be obligated until the President certified to Congress that the Afghan government “at both the national and local level is cooperating fully with United States funded poppy eradication and interdiction efforts.” The Act provided waiver authority to the President if he deemed it necessary to preserve the vital national security interests of the United States. The Bush Administration issued a waiver of the certification requirement for FY2006 ESF appropriations for Afghanistan on May 22, 2006.<sup>40</sup>

Subsequent appropriations legislation also has included these provisions. For FY2007, the FY2006 conditions were carried forward based on the provisions of the Revised Continuing Appropriations Resolution, 2007 (P.L. 110-5).<sup>41</sup> The certification and justification report were completed in June 2007. The FY2008 Consolidated Appropriations Act (P.L. 110-161, H.R. 2764) limited the obligation of FY2008 ESF assistance to Afghanistan to \$300 million until the Secretary of State certified to the Appropriations committees that the Afghan government “at both the national and local level” was fully cooperating with U.S.-funded poppy eradication and drug

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<sup>40</sup> U.S. Department of State Public Notice 5486, “Determination To Waive the Certification Requirement that the Government of Afghanistan Is Cooperating Fully with U.S.-Funded Poppy Eradication and Interdiction Efforts in Afghanistan,” May 22, 2006. *Federal Register*, Volume 71, Number 153, August 9, 2006.

<sup>41</sup> The House version of the FY2007 Foreign Operations Appropriations Act (H.R. 5522) would have limited the obligation of Economic Support Fund (ESF) assistance to Afghanistan to \$225 million until the Secretary of State certified to the Appropriations committees that the Afghan government “at both the national and local level” was fully cooperating with U.S.-funded poppy eradication and drug interdiction efforts. The Senate version of the FY2007 foreign operations bill did not contain this provision.



interdiction efforts. The Act provided for a presidential waiver of this provision, subject to a reporting requirement. The Bush Administration waived the certification requirement for FY2008 ESF appropriations for Afghanistan on May 9, 2008, and issued a detailed report to Congress justifying its decision and describing U.S. and Afghan counternarcotics efforts and remaining challenges.<sup>42</sup>

In the 111<sup>th</sup> Congress, the Omnibus Appropriations Act, 2009, states that \$200,000,000 in ESF funding may be obligated “only after the Secretary of State certifies to the Committees on Appropriations that the Government of Afghanistan at both the national and provincial level is cooperating fully with United States-funded poppy eradication and interdiction efforts in Afghanistan.” The Act provides for a presidential waiver based on national security determination. Section 7076(d) of the Consolidated Appropriations Act, 2010 states that \$200,000,000 in ESF funding may not be obligated “unless the Secretary of State certifies to the Committees on Appropriations that the Government of Afghanistan is cooperating fully with United States efforts against the Taliban and Al Qaeda and to reduce poppy cultivation and illicit drug trafficking.” The Act provides for waiver authority to the Secretary of State based on national security interests determination.<sup>43</sup>

## **Reporting Requirements**

Since 2002, Congress has required the executive branch to submit a number of detailed reports on its counternarcotics strategies and the use of appropriated funds to support counternarcotics programs in Afghanistan. Among these reports are worldwide annual surveys of Defense Department counterdrug activities, required reports justifying the waiver of conditions on U.S. ESF assistance, and specific reports on the opiate trade in and around Afghanistan and Administration plans to combat it. The following list highlights a number of recent reports that may be of interest to Congress for oversight purposes. It is not exhaustive:

- Section 7104 of the Intelligence Reform and Terrorism Prevention Act of 2004 (P.L. 108-458) required the submission of an interagency report that described current progress toward the reduction of poppy cultivation and heroin production in Afghanistan and provided detail on the extent to which drug profits support terrorist groups and anti-government elements in and around Afghanistan. The report was completed in October 2005.<sup>44</sup>

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<sup>42</sup> U.S. Department of State, *Justification for the Waiver and the Status of Cooperation by the Government of Afghanistan with the United States Funded Poppy Eradication and Interdiction Efforts in Afghanistan*, April 2008, transmitted to Congress May 12, 2008.

<sup>43</sup> The House version of the FY2010 Foreign Operations Appropriations bill (H.R. 3081) stated that \$300,000,000 in ESF funding may be obligated “only after the Secretary of State certifies to the Committees on Appropriations that the Government of Afghanistan at both the national and provincial level is cooperating fully with United States-funded poppy eradication and interdiction efforts in Afghanistan.” The House version provided for a presidential waiver based on national security determination. The Senate version of the bill (S. 1434) stated that \$55 million in International Narcotics Control and Law Enforcement (INCLE) funds for Afghanistan may not be obligated “unless the Secretary of State certifies to the Committees on Appropriations that the Government of Afghanistan is cooperating fully with United States efforts against the Taliban and Al Qaeda and to reduce poppy cultivation and illicit drug trafficking.” The Senate version provided for a waiver authority based on a national security interests determination.

<sup>44</sup> Report on Counter Drug Efforts in Afghanistan—October 18, 2005, as required by Sec. 7104, Section 207 (b) of the Intelligence Reform and Terrorism Prevention Act, 2004 (P.L. 108-458); House Committee on International Relations, Ex. Comm. 4575.

- P.L. 110-28 required the DEA Administrator to submit a report by July 31, 2007 that included a plan to target and arrest Afghan drug kingpins in Helmand and Kandahar provinces.
- House report on H.R. 2764 (H.Rept. 110-197) required the Administration to report on “the use of aerial assets to include fixed and rotary wing aircraft in coordination with and in support of Drug Enforcement Administration (DEA) counternarcotics operations,” and, “the extradition status of Afghan drug kingpins and narco terrorists, the destruction of Afghan heroin laboratories, local Afghan prosecutions of heroin-related crimes, and illegal border crossings by foreign nationals from Pakistan into Afghanistan.”
- The National Defense Authorization Act, 2008 (Section 1230, P.L. 110-181) requires the executive branch to submit a report on the comprehensive strategy of the United States for security and stability in Afghanistan every 180 days through FY2010. The reports issued to date have included sections devoted to counternarcotics policy as well as other issues such as police training and judicial reform relevant to U.S. and Afghan counternarcotics goals.
- The FY2009 Duncan Hunter National Defense Authorization Act (P.L. 110-417) extended the requirement for annual Defense Department reporting on its overseas counterdrug activities through 2009, and Section 1026 of the Act requires the Secretary of Defense to submit by June 30, 2009, “a comprehensive strategy of the Department of the Defense with regard to counternarcotics efforts in the South and Central Asian regions, including the countries of Afghanistan, Turkmenistan, Tajikistan, Kyrgyzstan, Kazakhstan, Pakistan, and India, as well as the countries of Armenia, Azerbaijan, and China.”
- The FY2010 Defense Authorization Act (P.L. 111-84) requires the submission of a counter-drug plan for each fiscal year that Defense Department support is provided.

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