

Alternative Development and Counter-Narcotics Policies: Afghanistan, Lao PDR, and Myanmar

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Abstract

This short study compares the outcome of policies for utilizing alternative development programs to eradicate illicit opium cultivation in Afghanistan, Myanmar, and Lao PDR.

There has been a relative success with the policies to eradicate illicit cultivation of opium and implementation of alternative livelihood projects in Myanmar and Laos. In Myanmar, although production of illicit opium in 2005 dropped to about 30% of its production level in 2000, it has been stabilized at around 60% of its production level in 2000. In Laos, although the policies to eradicate illicit opium cultivation succeeded to drop production to negligible levels by 2007, the current level of production is about one-third of the production level in 2000.

Afghanistan however, has been a case of failure to curtail illicit opium production. The international community and the central government in Kabul, spending billions of dollars not only have not been able to reduce cultivation of illicit opium, but production levels have

substantially increased with a peak of, in 2007, more than twice the production level of 2000. Afghanistan has become a case-study of what "not to do" in fighting illicit narcotics.

Keywords

Drug policy, Afghanistan, illicit opium production, drug control, alternative livelihood and development

Introduction

This short study compares the outcome of alternative development (livelihood) programs designed for eradicating illicit opium cultivation in Afghanistan, Myanmar, and Lao PDR. Alternative livelihood programs are attempts by governments, national and international agencies to replace the source of income of farmers in drug-affected countries from relying on the illicit cultivation of banned products, such as opium, with alternative legal crops or activities. A partial list of donors comprising of national, international and governmental agencies that have sponsored and worked with drug producing countries in implementing alternative livelihood programs is available in Table 1.

Tables 2 to 5 show the data for poppy cultivated area and production of opium for the three countries mentioned above and the world total for the years 2000 to 2015. Although the figures for 2016 production of opium in Afghanistan are available, due to lack of availability of data for 2016 in Lao PDR and Myanmar, this study will be focused on comparing the data up to 2015.

Alternative Development

The original concept of alternative development by means of crop substitution has been overtaken by the broader policy and practice of providing alternative sustainable sources of income. A crop substitution policy is meant to take measures towards replacing cultivation of illicit crops by simultaneously supporting development initiatives. Alternative development continues to be the principal method used by Member States to address adverse effects of elimination of illicit drug crop cultivation on farmers living in poor and underdeveloped areas. It involves providing alternatives to poppy growers through mainstreaming counter-narcotics consideration in general reconstruction and development efforts. The aim is to provide a sustainable livelihood for farmers based on alternative sources of licit productions.

In September 1998, the 20th Special Session of the United Nations General Assembly recognized alternative development as “a process to prevent and eliminate the illicit cultivation of plants containing narcotics and psychotropic substances through specifically designed rural development measures in the context of sustained national growth and sustainable development efforts in countries taking action against drugs, recognizing the particular socio-economic characteristics of the target communities and groups, within the framework of a comprehensive and permanent solution to the problem of illicit drugs.” (1)

Eliminating the conditions which permit the continuation of illicit opium cultivation is lengthy and expensive. It cannot be done with a few simple alternative livelihood projects. Success may be reached after years of planning and implementing comprehensive alternative development projects. And, it needs to go in parallel with other elements necessary for dealing with the illicit

cultivation of drugs. The result of the past experiences in the illicit drug producing countries would suggest a more realistic approach to the problem.

Pakistan with 9,493 hectares under cultivation in 1992 gradually decreased the production to 2,500 hectares in 2003 and 372 hectares in 2015. Lao PDR, with 30,580 hectares under cultivation in 1990, except for a couple of years, had gradually decreased the area under cultivation to about 12,000 hectares in 2003 and 1,500 hectares in 2007. Since then, however, the cultivation of poppy has increased in Lao PDR every year to the level of 5,700 hectares in 2015. Myanmar, staying between 150,000 and 165,000 hectares between 1990 and 1997, had dropped the area under cultivation to 62,200 in 2003 and 21,500 hectares in 2006. Since 2007, cultivated areas have increased gradually to the current level of 55,500 hectares in 2015. Thailand, with 3,727 hectares in 1991, dropped to 750 hectares in 2002 and 265 hectares in 2013. Vietnam, with 18,000 in 1990 dropped to 422 in 1999. The success stories shared something in common: a balanced approach comprising law enforcement and alternative livelihood. Where comprehensive development programs and law enforcement lapsed, the areas under illicit poppy cultivation increased.

The Golden Triangle

The “Golden Triangle” was one of the most extensive opium/heroin producing areas of the world from the 1950s to the almost end of the 20th century when Afghanistan became the world’s largest producer. The area is approximately 950,000 km² that includes the mountains of Myanmar, Lao PDR, and Thailand.

There has been a relative success to the narcotics control policies in the golden triangle. Poppy cultivation in the Golden Triangle declined substantially by more than 80 percent from 1998 to 2006 as a result of a coordinated eradication campaign, strengthening rule of law, China's pressure on Myanmar ethnic groups along its border areas, and alternative livelihood programs supported by the international community. In fact, the combination of policies to enhance security and providing development assistance proved effective.

Myanmar has been relatively successful if one compares the areas under cultivation in the 1990s to the current levels in 2015. It lowered cultivation area from the high of 165,000 hectares in the 1990s to about one-third of the previous levels, currently about 55,500 hectares in 2015. However, Myanmar had lowered the area under cultivation to the lowest level of 21,500 hectares in 2006. The internal security situation and rule of law changed since 2006, resulting in an increase in the opium production and a reduction on alternative development programs. Myanmar is now again a major producer of opium. The opium production has moved to the areas in the south, far from Chinese borders, controlled by ethnic groups. Some of the ethnic groups involved in opium business are allies of the central government and some are fighting them. Save the big towns and areas under the central government control, areas under the pro-government militias and anti-government ethnic armies are the new illicit opium production centers.

Lao PDR has also been relatively successful in its counter-narcotics program. With 30,580 hectares under cultivation in 1990, save a couple of years, it had gradually decreased the area under cultivation to about 12,000 in 2003 and 1,500 in 2007. Since then, however, cultivation of poppy has increased in Lao PDR every year to the level of 5,700 hectares in 2015.

Thailand has been the success story in the golden triangle in dealing with its illicit opium cultivation in more than two decades. The area under illicit opium cultivation in 1991 was 3,727 hectares, dropping to 750 hectares in 2002 and 265 hectares in 2013.

Myanmar

The area used for opium production is mostly in the Shan State of Myanmar, a conflict area (between the central government and the ethnic armed groups) close to borders of China to the north, Laos PDR to the east, and Thailand to the south. Shan State is almost a quarter of Myanmar's total area and covers 155,800 km². Several ethnic groups including the Shan people with existing armed groups inhabit the Shan State, a largely rural area. The Myanmar's military and the ethnic groups in Shan state have been fighting each other since Myanmar's independence. The government has different relations with the armed groups in control of the territories and has ceasefire agreements with many of the groups, but a vast area of the state is not under the control of the central government. "The Restoration Council of Shan State (RCSS) has grown exponentially since the early 2000s, and currently maintains strongholds along the Shan State border with Thailand... Further east, its hold on the border is contested by the United Wa State Party (UWSP), and in some areas, the Tatmadaw, resulting in a patchwork of civilian settlements that are effectively under different jurisdictions. The RCSS also has a significant guerrilla presence and strong relations with rural populations throughout much of Shan (South) and Shan (East)."(2) Profits from the drug trade have financed all sides in this conflict.

Shan state is a poverty stricken area which benefits from the high prices of opium cultivation to alleviate poverty. The farmers choose to cultivate illicit poppy since it is the only crop that

provides them with enough income to provide food and medicine for their family throughout the year and meet other essential demands such as education for their children.

It is estimated that almost 20 million of Myanmar's 53 million populations, close to 38%, live below the poverty line. Myanmar is considered among the least developed nations in the world. The continued violence in areas such as in the Shan state is the source of displacement and food insecurity in that country. It is estimated that 33% of children under the age of 5 suffer from chronic malnutrition. "Myanmar has the lowest life expectancy rate at 66 years and the second highest infant and child mortality rates currently estimated at 50 deaths per 1000 live births." (3) According to World Food Program (WFP), there are high rates of tuberculosis (TB) infection and HIV in Myanmar. (4)

Myanmar is also heavily susceptible to cyclones, floods, and landslides. "According to the Global Climate Risk Index, Myanmar ranks among the top three countries most affected by natural disasters, which led to massive displacement of people and the destruction of livelihoods, crops and other food sources." (5)

Myanmar, staying between 150,000 and 165,000 hectares under illicit opium cultivation from 1990 to 1997, had dropped the area under cultivation to 62,200 in 2003 and 21,500 hectares in 2006. Since 2006, Myanmar has been witnessing a gradual rise in production of opium to the current level of 55,500 hectares in 2015, more than 50,000 hectares of which is in the Shan state. (6) The current level of cultivated area under opium poppy in 2015 has remained stable for the third year in the row, after consecutive yearly increases from the lowest rate in 2006. (7)

Myanmar, in 2015, produced 647 metric tons of opium mostly in the Shan state, almost 14% of world production, making it the second largest after Afghanistan, the result of corruption, poverty, civil unrest and absence of rule of law.

It is estimated that almost 173,000 households were involved in poppy cultivation in 2015, down from 183,000 the year before. Cultivation of illicit poppy is the main source of income for the Shan villagers, with each family earning close to \$2,000 per year. (8) For farmers in the Shan state, opium poppy is the only crop that generates enough money to feed their families and take care of their essential needs, almost three times more than income from cultivation of other crops. Faced with food insecurity, and lack of essential infrastructures, such as roads, electricity or running water, farmers in the Shan state have limited options. There is no other business like growing poppy that will earn enough money for farmers. It does not make the farmers rich but takes care of their essential needs for food, healthcare, and education for the younger generation.

"The cultivation of opium poppy is associated with difficult living conditions, a number of infants who died last month, households in debt and poor accessibility to market. Poppy-growing villages also have fewer alternative sources of income and receive less external agricultural assistance than non-poppy-growing villages. This is underlined by the fact that many poppy-growing farmers seem to be primarily covering subsistence needs with poppy income. Almost all village headmen (94%) interviewed in poppy-growing villages during the 2015 Myanmar village survey stated that villagers use income from opium for purchasing food more than for any other reason. Rice deficit also decreased to a greater extent in poppy-growing villages than in non-

poppy-growing villages, which reinforces this implication (21% decreases in poppy-growing villages, versus 14% in non-poppy-growing villages).” (9)

Illicit drug trafficking potentially generates over \$2 billion every year in Myanmar. Ethnic groups in the Shan state fund their fight against the central government through opium production and trafficking, especially in areas under their control bordering China and Thailand. The ethnic fighters of the United Wa State Army, controlling the border areas of the Shan State with Thailand, are the other source of illicit opium market in Myanmar. The group is considered an ally of the military junta in Myanmar.

The army units and the local militias supporting them finance their activities through their involvement in the drug economy of the region and do not rely on income from the central government. The local militias in the Shan state, in addition to supporting the army units operations, protect pipelines and dams. They are compensated through their "right" to tax poppy farmers, refine opium to heroin and selling them to traffickers. In general, one could say that the central government-backed militias are running the bulk of drug trade in the Shan state. Most of the heroin in Australia comes from these poppy fields in Myanmar. (10)

In Myanmar, the military government has been involved in the drug trade to finance its operations through extortion from middle-men, taxing the farmers, traders, and traffickers. The government has a policy of eradicating the lands used for cultivation of illicit opium. But, the military units have been taking bribes and protection money from farmers in implementing the government run crop elimination policies and fabricating eradication figures. The government

realizes that eradication will exacerbate security concerns and will increase poverty in the affected areas. It is, therefore, closing its eyes to the corruption of its military units to protect the farmers.

According to Mr. John Whalen, former Director of the U.S. Drug Enforcement Administration office in Myanmar, the government of Myanmar is turning a blind eye to corruption of its local government officials and military officers who are paid to look the other way. The military junta in Myanmar fears that cracking down on drugs might jeopardize its tenuous alliance with the militia groups supporting the central government. “Various militia groups are allowed to carry on because the government needs them.” (11)

Lao PDR

Laos, officially known as the Lao People's Democratic Republic, borders Myanmar and China to the northwest, Vietnam to the east, Cambodia to the southwest, and Thailand to the west and southwest. Laos has been experiencing an average annual GDP growth of 7% over the past decade. According to Transparency International, Laos is ranked 139 out of 168 countries on Transparency International's corruption perception index for 2015. It has a corruption score of 25 for 2015, indicating the “perceived level of public sector corruption on a scale of 0 (highly corrupt) to 100 (very clean).” (12) Laos has one of the lowest annual incomes in the world. A third of the population lives below the international poverty line. (13) It ranks 141 on the UNDP Human Development Index and the “International Food Policy Research Institute 2012 Global Hunger Index describes the situation in Lao PDR as serious. Many villages are remote and not accessible by road, starving people of essential resources. Over 40 percent of children under 5

and 63 percent of children under 2 suffer from anemia and malnutrition. Almost 45 percent of children under 5 and 23 percent of women between 12 and 49 years of age are affected by sub-clinical Vitamin A deficiency. Forty-four percent of children under 5 are stunted due to poor diets and malnutrition.” (14)

In the 1990s, as recently as 1998, Laos was the third largest world producer of illicit opium with one of the highest opium related addiction rates. (15) The cultivation of illicit opium was mainly in the northern areas of the country, in remote border areas with lack of communications, where the resources were scarce. In 1987, United States initiated cooperation with Laos to control illicit drug production and trafficking and provide a viable alternative livelihood program for the country.

Starting in 1989, opium production showed a decline every year. The alternative livelihood programs targeting specific areas and mainly initiated and supported by the United States were proving to be successful. The government’s commitment to control illicit opium production reduced opium poppy cultivation to “marginal levels.” (16)

“Decreased opium cultivation and production are also the result of increased law enforcement efforts, narcotics-related arrests and crop seizures, and a greater effort to disseminate information on the disadvantages of drug trafficking. Although the government tends to deny that it has a domestic drug problem, a public awareness program stressing the dangers of drug use and trafficking has been established, and, as part of the information and education campaign, there has been increased publicity on penalties for offenses.” (17)

Lao PDR, with 30,580 hectares under cultivation in 1990, with a couple of incomparable years, gradually decreased the area under cultivation to about 12,000 hectares in 2003 and 1,500 in 2007. Since then, cultivation of poppy has increased in Laos every year to the current level of 5,700 hectares in 2015. The area under opium cultivation in Laos was mainly concentrated in Phongsali and Houaphan provinces with the largest share estimated at Phongsali. (18) The data for 2015 reveals a marginal reduction compared to 2014. “Although significant, at 5,700 hectares it was only roughly a tenth of the size of the area under opium cultivation in Myanmar.” (19)

In 2005, cultivation of opium poppy was made illegal in Laos, putting pressure on the remaining farmers who were cultivating illicit opium. Although the government efforts to fight illicit drug production and trafficking continue, corruption and involvement of both civil and military officials in narcotics business have weakened the continued success of drug control policies post-2007.

Afghanistan

Since 2000, Afghanistan has been the main opium poppy grower in the world, producing in the past 16 years, in average, 80% of global illicit opium. The lowest percentage of world production by Afghanistan, with the exception of 2001 during the Taliban ban, was 69% in 2015 and the highest percentage of 91% in 2006 and 2007. (20)

With a global total of over 281,000 hectares under illicit opium cultivation in 2015, the 183,000 hectares under opium poppy cultivation in Afghanistan represented 65% of the world cultivated

lands. In the same year, with a global total production of over 4,760 metric tons, the 3,300 tons of production in Afghanistan represented 69% of world production. Looking at the data for the cultivation of poppy and production of opium in Afghanistan over the past 15 years, it is evident that the policies by the central government and the international community, including the programs for sustainable alternative livelihood, have not been successful at all. The preliminary data for opium poppy cultivation and production in 2016 reveal an increase in the main opium growing regions in Afghanistan.

In Afghanistan, the agricultural sector is structurally weak, with poor marketing, small land holdings and a shortage of agricultural inputs such as improved seeds, fertilizers, basic agricultural tools, and access to water and to formal credit. Opium cultivation and harvesting is labor intensive and provide poor itinerant agricultural laborers significant opportunities to gain additional incomes.

There are many inside players in drug production related activities in Afghanistan:

- Farmers, cultivating poppy for a variety of reasons including poverty, lack of infrastructure and unavailability of market for other products, among others;
- Local traders, providing loan to the farmers who need the cash advance to take care of their needs for foods and medicine;
- Traffickers, with strong ties to the local traders and officials and a transit network for the products through the neighboring countries to lucrative markets in the West and Russia;
- Corrupt officials at different levels with huge amounts of profits earned from illicit opium trade and their role in increasing production of drugs in Afghanistan; and

- Groups with political agenda involved in the opium trade to finance their military and terrorist activities inside and outside of Afghanistan.

Why do farmers choose to cultivate opium? The answer is very simple. The farmers make rational business decisions. In an environment, where the resources are scarce, the power of the central government is limited and the national economy and local players benefit from the continued cultivation of opium by farmers, there are limited risks for the farmers in producing an illegal product. It provides them with easy credit from the middle-men and the local traders connected to the traffickers, which they need to run their lives throughout the year. It earns the farmers more money than any other product which permits them to pay back the loan and have enough left for their household to deal with other needs and pay taxes and protection money to the local power brokers. Sixteen years after the fall of Taleban and establishment of a central government supported by the international community, we are not anywhere close to providing the farmers with incentives which have been provided by the traffickers for the past few decades.

Although income from illicit opium production provides livelihoods to many poor people in the rural areas, it does not lead to the rural development or contribution to the national development of Afghanistan or to a thriving legal economy. In fact, although the farmers get some share of profit which contributes to their continued survival, their endeavor enriches the traffickers and maintains the current levels of national economy.

All those benefiting from the illicit trade will do their utmost to ensure and encourage more production and trafficking of drugs in Afghanistan. The traffickers act as a super-national

authority who don't pay taxes and do not contribute to the national programs and budget, leaving the Government to pay for all the public sector needs. The objective of the traffickers is to make sure that rule of law is not established. Compared to the profits earned by international traffickers and international organized crime, the profits earned by local traffickers are very modest.

Addressing the drug problem in Afghanistan is not going to be easy. There is the need to look at the complex political and security background to the Afghan narcotics problem and not underestimate the constraints on overcoming it. The opium economy has become pervasive in almost all of the country, one of the poorest countries in the world. The production and trafficking of opium produce income estimated to equal almost half of the GDP of Afghanistan. Almost all influential leaders in Afghanistan depend directly or indirectly on revenues generated from production and trafficking of illicit drugs. The economy of Afghanistan has become so much dependent on the illicit drugs business as a percentage of its GDP, unlike any other country with illicit drug problems in the past, which any attempt similar to those taken in other countries such as Myanmar and Laos will be ineffective. (21)

Assessment

In reviewing cultivation and production of illicit opium in Afghanistan, Myanmar, and Lao PDR, the following elements seem to be common in the affected areas:

- a. Cultivation are mostly in isolated areas;
- b. Cultivation are mostly in areas with widespread poverty;
- c. Cultivation of licit crops does not provide the income needed by the farmers for their food and medical needs throughout the year;

- d. No access to market and the lack of infrastructure (roads, railroads, energy) to support the cultivation of licit crops to create a market for licit crops;
- e. Lack of investment by the central government in the services needed in rural areas;
- f. Structurally weak agricultural sector;
- g. Shortage of agricultural inputs such as improved seeds, fertilizers, and basic agricultural tools;
- h. Absence of formal credit mechanisms;
- i. Small and marginal land holdings;
- j. No access to water;
- k. Poppies are a cash crop, providing result in four to six months in every growing season with much less attention and investment, but in Myanmar, they have to wait for 3 years to get their first coffee yield;
- l. Poppies are well-suited for the growth in the affected areas, better than wheat in Afghanistan and rice or tea in golden triangle;
- m. The buyers come to them and they need no infrastructure to maintain and sell their product;
- n. Serious drug abuse and associated HIV/AIDS problems;
- o. Conflicts, insecurity, corruption, and absence of rule of law common in the areas;
- p. Relative or no control of the government in the affected areas;
- q. Opium economy benefitting those in power and those in control of the areas;
- r. Driving the war economy, providing cash to armed groups by levying taxes on the producers.

Farmers in the affected areas of Afghanistan, Myanmar, and Laos, choose to cultivate opium for following reasons:

1. High cash value for opium;
2. Ability to store the product without the risk of perishing;
3. Ease of trade throughout the year;
4. Provision of relatively secure and substantial cash income; (22)
5. Relatively short time of four to six months between planting and harvesting;
6. Opium cultivation and harvesting is labor intensive; (23)
7. No substantial risk for farmers to cultivate illicit opium poppy as they are protected by the local people with influence involved in making huge profits out of this business.

There has been a relative success with the policies to eradicate illicit cultivation of opium and implementation of alternative livelihood projects in Myanmar and Laos. In Myanmar, although production of illicit opium in 2005 dropped to about 30% of its production level in 2000, it has been stabilized at around 60% of its production level in 2000. In Laos, although the policies to eradicate illicit opium cultivation succeeded to drop production level to negligible levels by 2007, the current level of production is about one-third of the production level in 2000.

Afghanistan however, has been a case of failure to curtail illicit opium production. The international community and the central government in Kabul, spending billions of dollars not only have not been able to reduce cultivation of illicit opium, but the production levels have substantially increased with a peak of, in 2007, more than twice the production level of 2000. Afghanistan has become a case-study of what “not to do” in fighting illicit narcotics.

Alternative Development – Going Forward

For many poor farmers in the least developed areas of the world, the illicit opium is not a problem but rather a solution to their problems. To be successful with policies in eliminating drug production in affected areas of Afghanistan, Myanmar, and Laos, there is the fundamental need to address the primary reasons of illicit drug cultivation. Recognizing the realities on the ground and political economy of profits from insecurity will be the first step to devising policies that may have a chance to provide results. Any international strategy to eliminate the illicit opium poppy cultivation must take this into consideration and address the economic and social causes of the cultivation. Considering past conditions and current status of illicit opium cultivation areas in Afghanistan, Myanmar and Lao PDR, a combination of the following dominant factors and appropriate alternative development policies are identified:

DOMINANT FACTORS	APPROPRIATE ALTERNATIVE DEVELOPMENT POLICIES
Insurgency and lack of rule of law	Establishment of peace in the conflict areas and instituting rule of law
Corruption	Rooting out corruption,
Difficult living conditions of the farmers and locals in general	Enhancement of socio-economic conditions of communities, farmers and their families in rural areas by increasing and diversifying their income and improving access to markets, inter alia, through creation and development of needed infrastructure, including roads and electricity
Food insecurity	Provision of agricultural products, equipment, and fuel
High child mortality rates	Providing access to clean water and sanitation, and
Debt	Elimination of extreme poverty in affected areas and provision of rural credits
Land governance and ownership problems	Promotion of good governance and sanctioning legislative initiatives
Democracy and sustainable development	Establishment of educational facilities
	Expansion of people's freedoms and opportunities to decide who to be, what to do, and how to live
	Improvement of the well-being of people
	Promotion of gender equality and empowerment of women
	Promotion of environmental sustainability

Successful examples of sustained elimination of illicit opium cultivation, such as in Pakistan and Thailand, and those with relative success, such as in Myanmar and Laos, shared something in common: a balanced approach comprising law enforcement and alternative livelihood. Where development programs and law enforcement lapsed, the areas under illicit poppy cultivation increased.

Currently, the single major problem is the continued production of the bulk of the global illicit opiates in Afghanistan. To deal with the illicit narcotics problem in Afghanistan, there is the need for a two-pronged policy. One, dealing with traffickers and processing laboratories which need stronger law enforcement capacity of the Government and the other, dealing with farmers which need a comprehensive alternative livelihood approach as part of the greater reconstruction and development policy. Filling the gap created by taking half of the GDP of the country, would need substantial assistance to the economy of the country only to keep it at the same level. The elimination of drugs from Afghanistan has to go through the phase of reduction and eventual elimination.

For eventual elimination of illicit drugs, alternative development for Afghanistan is ultimately linked to long-term development. An extensive and substantial rural development program goes beyond merely introducing alternative crops. No crops will substitute the income that opium produces. We need to think about generating work and a licit rural economy with substantial government programs to provide assistance, including non-farm opportunities.

The above-mentioned objectives could be attained by adoption and implementation of following policies by the parliament and government of Afghanistan:

- Strengthening ties with the world economy;
- Privatization of the telecommunications, power sector and civil aviation;
- Creation and modernization of infrastructure by promoting commercialization;
- Creation of strong institutional and regulatory framework and competition through private sector involvement;
- Investments in financial sector;
- Investments in mining industry, especially gold, lithium, uranium, and iron ore; (24)
- Promoting trade financing;
- Developing and supporting micro-businesses and small and medium-sized enterprises, essential for economic development, through financing and improving investment climate;
- Opening foreign investment;
- Making the investment climate more attractive to foreign businesses by addressing corporate governance and transparency issues.

Conclusion

Two final points:

1. To encourage the government of Afghanistan, Laos, and Myanmar to focus on delivering results, a carrot and stick policy by the international community is suggested.
2. Dealing with the supply of illicit drugs cannot be successful without dealing with the demand for the same. As long as there is a demand for illicit drugs, there will be

suppliers. If Afghanistan, Myanmar, and Laos become drug-free, traffickers will find another corner of the world to start a conflict and continue to thrive in an environment free from rule of law.

About the Author

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Conflict of Interest

I declare that I have no proprietary, financial, professional or other personal interest of any nature or kind in any product, service and/or company that could be construed as influencing the position presented in, or the review of, the manuscript entitled *Alternative Development and Counter-Narcotics Policies: Afghanistan, Lao PDR, and Myanmar*.

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20. Given the increase in production of illicit opium in Afghanistan in 2016 by almost 45% compared to 2015, the prospects for the success of alternative livelihood programs in the current situation in Afghanistan seems very dim.
21. Afghanistan, Myanmar, and Laos provide their products to different buyers/users and are not competing against each other market. Afghanistan's opium is sold for internal consumption and in the neighboring countries of Pakistan, Iran and Central Asian Republics in route mainly to Russia, and Europe with some reportedly trafficked to the east coast of the United States. Opium from Myanmar and Laos in addition to local consumption is mostly for the markets in China, Australia and the western parts of the United States, including Hawaii.
22. It is one of the very few crops for which farmers can receive advance credits at times of need.
23. It provides income to the poor itinerant agricultural laborers who find employment during the planting areas.
24. Afghanistan's resources could make it the richest mining region on earth, Independent, June 14, 2010. Available at: <http://www.independent.co.uk/news/world/asia/afghanistans-resources-could-make-it-the-richest-mining-region-on-earth-2000507.html>. According to a joint study by Pentagon and the United States Geological Survey, Afghanistan has an estimated 1 trillion USD of untapped minerals. “The sheer size of the deposits – including copper, gold, iron and cobalt as well as vast amounts of lithium, a key

component in batteries of Western lifestyle staples such as laptops and BlackBerrys – holds out the possibility that Afghanistan, ravaged by decades of conflict, might become one of the most important and lucrative centers of mining in the world.”

TABLE 1

PARTIAL LIST OF DEVELOPMENT AGENCIES FROM DEVELOPED COUNTRIES AND INTERNATIONAL ORGANIZATIONS INVOLVED IN IMPLEMENTATION OF ALTERNATIVE LIVELIHOOD/DEVELOPMENT PROGRAMS IN DRUG PRODUCING COUNTRIES¹

Belgian Development Cooperation

Canadian International Development Agency (CIDA)

Danish International Development Agency (DANIDA)

European Union (EU)

German Federal Ministry for Economic Cooperation and Development (BMZ)

Japan International Cooperation Agency (JICA)

Luxembourg Agency for Development Cooperation

Netherlands Foreign Trade and Development Agency (NFTDA)

New Zealand Agency for International Development

Norwegian Agency for Development Cooperation (NORAD)

Swedish International Development Cooperation Agency

United Kingdom Department for International Development (DFID)

United States Agency for International Development (USAID)

US State Department

United Nations Development Program (UNDP)

United Nations Office on Drugs and Crime (UNODC)

World Bank Group

¹ This list is not exhaustive and mentions partially, for informative purposes, some of the international agencies and donor agencies from developed countries involved in funding and implementation of alternative development projects in drug-affected countries.

Tables On Cultivation And Production Of Illicit Opium²

TABLE 2 - CULTIVATION OF OPIUM POPPY, HECTARES, 2000-2015

	AFGHANISTAN	LAO PDR	MYANMAR	WORLD TOTAL
2000	82,171	19,052	108,700	221,952
2001	7,606	17,255	105,000	142,094
2002	74,100	14,000	81,400	180,225
2003	80,000	12,000	62,200	168,600
2004	131,000	6,600	44,200	195,940
2005	104,000	1,800	32,800	151,500
2006	165,000	2,500	21,500	201,000
2007	193,000	1,500	27,700	235,700
2008	157,000	1,600	28,500	213,003
2009	123,000	1,900	31,700	185,935
2010	123,000	3,000	38,100	190,662
2011	131,000	4,100	43,600	207,500
2012	154,000	6,800	51,000	234,895
2013	209,000	3,900	57,800	295,291
2014	224,000	6,200	57,600	316,709
2015	183,000	5,700	55,500	281,064
AVERAGE	133,805	6,744	52,956	213,879

**TABLE 3 - PERCENTAGE OF WORLD CULTIVATION
2000-2015**

	AFGHANISTAN	LAO PDR	MYANMAR
2000	37	9	49
2001	5	12	74
2002	41	8	45
2003	47	7	37
2004	67	3	23
2005	69	1	22
2006	82	1	11
2007	82	1	12
2008	74	1	13
2009	66	1	17
2010	65	2	20
2011	63	2	21
2012	66	3	22
2013	71	1	20
2014	71	2	18
2015	65	2	20
AVERAGE	61	3	26

² Data extracted from UNODC "Illicit Crop Monitoring reports" for Afghanistan, Lao PDR, and Myanmar, 2000-2015; and UNODC "World Drug Report," 2015.

**TABLE 4 - POTENTIAL PRODUCTION OF OVEN-DRY OPIUM
METRIC TONS, 2000-2015**

	AFGHANISTAN	LAO PDR	MYANMAR	WORLD TOTAL
2000	3,276	167	1,087	4,691
2001	185	134	1,097	1,630
2002	3,400	112	828	4,520
2003	3,600	120	810	4,783
2004	4,200	43	370	4,850
2005	4,100	14	312	4,620
2006	5,300	20	315	5,810
2007	7,400	9	460	8,091
2008	5,900	10	410	6,841
2009	4,000	11	330	4,953
2010	3,600	18	580	4,730
2011	5,800	25	610	6,983
2012	3,700	41	690	4,831
2013	5,500	23	870	6,810
2014	6,400	92	670	7,732
2015	3,300	130	647	4,766
AVERAGE	4,354	61	630	5,415

**TABLE 5 - PERCENTAGE OF WORLD PRODUCTION
2000-2015**

	AFGHANISTAN	LAO PDR	MYANMAR
2000	70	4	23
2001	11	8	67
2002	75	2	18
2003	75	3	17
2004	87	1	8
2005	89	0.3	7
2006	91	0.34	5
2007	91	0.11	6
2008	86	0.15	6
2009	81	0.22	7
2010	76	0.38	12
2011	83	0.36	9
2012	77	1	14
2013	81	0.34	13
2014	83	1	9
2015	69	3	14
AVERAGE	80	1	12