

GLOBAL COMMISSION ON DRUG POLICIES



ASSESSING SUPPLY-SIDE POLICY AND PRACTICE: ERADICATION AND ALTERNATIVE DEVELOPMENT

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Key Messages

- **Opium poppy** and **coca** cultivation are **concentrated** in areas that are **marginal** and where the population endures **low** levels of human development.
- Drug crop cultivation can provide a **reasonable income** but it typically **does not** offer an **improvement** in the **socio-economic and political status** of those that grow it.
- **Crop destruction** in areas **without viable alternatives** to opium and coca cultivation **is counterproductive**. It **fuels violence, insecurity** and can **undermine long term efforts** to change the conditions that promote drug crop cultivation
- **Broad based development** interventions are closely associated with **sustained reductions** in drug crop cultivation within a specific area. **Improvements in human development indicators** can be achieved despite reduction in opium and coca production.
- **Licit cultivation** in the rural areas in which opium and coca are **currently concentrated** could not be compete with developed nations in which the agricultural sector offers greater **economies of scale**
- **Licit cultivation** would have a **significant impact** on the **rural economy** of drug producing nations although there would probably be **benefits** with regard to the **cost** of **criminality** and **corruption**.
- The primary policy debate for drug crop producers is the **time and nature** of **transition** from opium poppy and coca **to more diverse livelihood strategies**
- There is a need to encourage far **greater ownership** of the drugs issue by the wider **development community**. The **responsibility** for development in drug producing areas **should not** be the monopoly of international and national **drug control organisations**.
- **Member states** in which opium poppy and coca are concentrated should **request** that the **International Financial Institutions, bilateral development donors** and the development organisations within the **United Nations** become **actively engaged in development in drug producing areas**.

Introduction:

This paper analyses current efforts to reduce the production of illicit drug crops. This paper deliberately focuses on opium poppy and coca so as to better contextualise drug crop cultivation as a development issue and explore the potential for encouraging closer engagement by the wider development community in the debate on effective drugs policy - much as health professionals took greater ownership of problem drugs use in the wake of HIV/AIDS.

The production of opium and coca is concentrated in marginal areas within a limited number of countries. The population in these areas typically find their options limited by prevailing levels of insecurity, the actions of state and armed non state actors, and limited natural resources. The threat of violence and intimidation constrain access to public goods as well as inhibit the political and civil rights of the bulk of the rural population. Poor health, illiteracy and limited social and physical infrastructure reflect the low level of human development endured by the population in areas where opium poppy and coca are grown.

The derivatives of these two crops, cocaine and heroin, have also been identified of primary concern to the intentional drug control regime and donor nations in the north. The priority given to these two crops means that considerably more is known about the socio-economic, political and environmental conditions in which they are grown and greater investments are made in deterring their production. Far less is known about cannabis; a crop that is dispersed across a large number of countries (including those in the north) and where efforts to reduce cultivation have been limited to crop destruction and only a very small number of rural development interventions.

The paper is divided into four sections. The first section looks at the measures used to assess the performance of supply side efforts. It highlights the divergent estimates that these assessments are based on and the limitations associated with using aggregate data with which to judge the efficacy of different supply side efforts. The second section discusses the primary methods of drug control currently employed to reduce supply that of eradication and what has become known as alternative development. The third section provides a detailed critique of these two interventions and outlines the weaknesses of an approach that looks to influence annual levels of cultivation without addressing the wider socio-economic, political and environmental causes of opium and coca production. Finally the paper concludes that there is a need to reposition drug crop cultivation as a development issue with the main development actors, particularly the International Financial Institutions such as the World Bank as well as the main bilateral development donors.

Lies Damn Lies and Drugs Statistics:

Supply side efforts are typically measured by the area cultivated with illicit drug crops and the amounts of cocaine and opium produced from them. A further indicator that is often cited as a measure of performance is the number of hectares eradicated. Both the United Nations Office on Drugs and Crime (UNODC) and the United States Government (USG) produce annual estimates of these measures for the major opium and coca producing countries, including Colombia, Peru, Bolivia, Afghanistan, Burma, Laos and Burma.

The underground nature of the drugs economy makes measurement difficult even with the development of new technologies. However, the level of drug crop cultivation and other associated measures are often cited by policy makers and the media with few caveats. When the estimates diverge the data of one organisation may be cited so as to justify a

specific policy position. UNODC data is often seen as more impartial but its monitoring systems are undertaken in tandem with national governments who may have their own biases. UNODC is also an implementing agency and its own success in areas of production as well as its funding in a particular country is in part contingent on fluctuations in levels of cultivation. It is clear there is a need for far greater scrutiny of the methodologies used for determining levels of opium and coca production by both policy makers and commentators alike.

The estimates provided by these two bodies of the amount of cultivation at the national level can differ in some years by as much as one hundred percent making performance assessment problematic. The disparity in provincial statistics may be even higher and contradictory with regard to trends over time. For example USG estimates of cultivation in the province of Kandahar in southern Afghanistan show a decline from 2008 to 2010 from around 22,100 ha to 14,500 ha while UNODC show an increase from 14,600 to 25,800 ha. Similar disagreements in estimates can be seen in other province of Afghanistan and in Colombia.

The changes that have been made to the methodologies for estimating levels of cultivation and yields by both bodies also render comparisons over time difficult. For example, UNODC's annual survey in Afghanistan which began in 1994 was initially based on the visual estimates of surveyors on the ground and it was not until 2002 that it began to use more reliable remote sensing data. Developments in the methodology of the annual survey for Colombia led to the USG increasing the coverage of the areas surveyed in Colombia and estimating that the number of hectares of coca had increased from 144,000 hectares (ha) in 2005 to 157,200 ha in 2006 despite a significant increase in the rate of eradication that year. Over the same period UNODC reported a fall from 86,000 ha to 78,000 ha.

Recognising the caveats on the data estimates of the total level of cultivation and production show little progress in achieving sustained reductions in the global supply of coca and opium. Some countries, such as Pakistan and Thailand have emerged after decades of assistance to produce only negligible amounts of opium. Despite these achievements opium poppy cultivation and production has increased dramatically over the last decade largely due to events in Afghanistan. While the recent 'blight' in the south of the country is estimated to have halved production the dramatic rise in opium prices (a five-fold increase) and growing instability may offset by increases in some provinces in the 2010/11 growing season. While it is thought that total levels of coca cultivation have fallen since 1999 when Plan Colombia began UNODC and USG statistics disagree with UNODC reporting a fall of 52,000 ha between 1999 and 2008 and USG estimating an increase of around 20,000 ha over the same period.

Regional and national estimates of cultivation and production mask what is happening on the ground in drug crop producing areas. Disaggregated data shows the shift in the concentration of production from one area to another. For example, the department of Putamayo in Colombia is estimated by UNODC to have produced 66,000 ha of coca in 2000, forty percent of the national total. In 2008 this same department is estimated to have produced almost 10,000 ha of a total 88,000 ha. In Afghanistan levels of cultivation in the province of Nangarhar have been almost negligible since 2008 yet between 1994 and 2006 this was an area that typically featured as one of the top three major producing provinces in the country.

Given the problems associated with national statistics and the fact that opium and coca cultivation are contextual – a function of time, location and socio-economic group - much more needs to be known about the local environment in which drug crop cultivation takes place. Different areas within the same country have quite different histories of involvement

in the drugs trade, divergent patterns of opium production, and unique records of engagement in counter narcotics efforts. Understanding the particular socio-economic, political and environmental context in which opium and coca production occurs in each area is essential for identifying the impact of drug control efforts and their unintended consequences.

Current Methods of Control:

Eradication

Eradication is the physical destruction of the crop in the ground. It is usually conducted without the consent of those growing the crops but sometimes farmers are encouraged to participate in return for compensation or development assistance.

Manual eradication is a laborious process requiring approximately twenty person days per hectare for coca and three person days per hectare for opium poppy. It only kills the plant when conducted in the right way, at the right time, and often involves considerable risks for those carrying out the eradication. For example, in Peru, thirty eradication staff were killed in the Upper Huallaga Valley between 1986 and 1988. In the Macarena National Park in Colombia there were twenty nine fatalities during a single day of eradication in December 2005 and a total of one hundred and eighteen were killed between 2005 and 2008. A further forty soldiers and police were killed during manual eradication efforts in Colombia in 2009.

Chemical agents have been used since the 1970s (Mexico, Colombia). A variety of herbicides have been used, including paraquat in Mexico and Colombia, the chemical defoliant 2,4-D (a constituent of Agent Orange) in Burma and Bolivia, Tebuthurion (trade name Spike) in Peru and glyphosate (trade name Roundup) in Colombia. Typically, herbicides have been sprayed from aircraft so that larger areas of illicit cultivation could be destroyed. Planes used for aerial fumigation have come under fire, forcing them to fly higher than the optimum altitude (of between 5 and 20 feet) for application of herbicides and raising doubts about the accuracy and impact of the spraying. Concerns about human and environmental health have caused Peru, Bolivia, Ecuador and Thailand to ban the use of chemical agents for eradication. Colombia is currently the only coca producing country to allow chemical eradication and the aerial application of glyphosate is an integral part of "Plan Colombia" but even here there the Government has expressed growing concerns over its effectiveness and has pushed for greater focus on manual eradication. The government of Afghanistan has rejected a number of requests for chemical agents to be used in the destruction of opium poppy.

Biological methods of eradication, known as mycoherbicides, have been researched for coca and opium poppy but not fully developed because of continuing concerns over the environmental, health, and legal implications. A strain of fusarium oxysporum, a soil borne mould, has been developed as a biological agent for the control of coca and is believed to have destroyed up to seventy per cent of the crop in parts of the Huallaga valley of Peru in 1984. The United Nations Office on Drugs and Crime (UNODC) has undertaken research in Uzbekistan on the efficacy of the naturally occurring fungus pleospora papaveracea as a biological control agent for opium poppy. Both biological agents are reported to produce mycotoxins that are considered harmful to animals and plants and have the potential to mutate over time. The application of mycoherbicides without the consent of the state affected could constitute a breach of the Biological Weapons Convention. The Government of Colombia rejected efforts by the United States and the UNODC to introduce a strain of fusarium oxysporum as a method of eradication in 2000.

Alternative Development

Alternative development is a process that can include a range of different rural development interventions aimed at reducing illicit drug crop cultivation within a specific geographic area. Models of alternative development differ dependent on sources of international funding and the particular international and national institutions responsible for policy development and implementation in a given source country. Although there has been a persistent push to ensure performance assessment includes the delivery of improvements against human development indicators alternative development programmes are largely judged by their success in reducing the hectareage of drug crops within a given area.

Evolution: Alternative Development has evolved over the years. It emerged from the failure of the crop substitution initiatives of the 1970s and from the integrated rural development approach of the 1980s. During the 1970s crop substitution projects successfully identified alternative crops but failed to alter the market and infrastructural constraints that households faced in traditional areas of drug crop cultivation. The broader integrated rural development approach of the 1980s sought to redress this emphasis on replacing income and promote the integration of traditional areas of cultivation into the economic and social mainstream. It consolidated crop substitution initiatives with food for work schemes; income generation opportunities; social development initiatives aimed at improving education, health and access to potable water and sanitation; and infrastructural projects to improve access to markets.

The relocation of drug crop production from traditional areas to new areas of cultivation in the late 1980s prompted a further reappraisal of drug control, resulting in the broader strategy of 'alternative development' that has sought to integrate regional development assistance with law enforcement initiatives. At the core of alternative development is a recognition that drug crop cultivation is interwoven with numerous other issues that go well beyond the micro-economics and agronomy of coca and opium cultivation.

No clear consensus: In practice, alternative development has come to mean different things to different organisations and individuals, a position that is supported by the rather broad nature of the definition declared at the Special Session of the United Nations General Assembly in 1998:

A process to prevent and eliminate the illicit cultivation of plants containing narcotic drugs and psychotropic substances through specifically designed rural development measures in the context of sustained national economic growth and sustainable development efforts in countries taking action against drugs, recognising the particular socio-cultural characteristics of the target communities and groups, within the framework of a comprehensive and permanent solution to the problem of illicit drugs.

Divergent models: It is this ambiguity and a lack of clarity over the role that development assistance plays in influencing households to abandon illicit drug crop cultivation that has led to different strategies being adopted by alternative development projects on the ground and different perceptions of what the success of these programmes looks like.

To those institutions located firmly within the drug control community alternative development is simply the means by which to negotiate reductions in illicit drug crop cultivation; the basis by which governments can lever reductions out of the rural population. This transactional model is built on the provision of short term development inputs and the threat of eradication. It does not offer a medium to longer term strategy aimed at supporting

farmers to build on their existing capabilities and assets and transition out of illicit drug crop production. It is this kind of alternative development assistance that has prevailed in Latin America with the funding of both the United States Government and UNODC.

Those from the development community that are more engaged on the drugs issue argue that there is a need for a broader based approach to development in areas where illicit drug crops are grown. They recognise that opium and coca production are concentrated in areas of conflict where the development of licit livelihood options are severely constrained by the wider socio-economic, political and ecological environment. Development investments in such areas can be justified on the basis of particularly low human development indicators. For those advocating a more development orientated approach rural development is both a process and an end in itself and not simply the means by which to lessen the political and economic impact of eradication efforts.

Impact of the Current Methods of Control:

Eradication

Superficially eradication seems to be the most direct response to illicit drug production. It removes the drugs before they become mobile and disappear along the trafficking chain. But in the absence of parallel measures to reduce the demand for the raw products and improve the welfare of farmers, eradication pushes up the price of illicit drug crops, stimulates further production and leads to increasing levels of instability. The cost effectiveness of such operations is questionable from a drug control perspective given the limited impact on levels of cultivation and on the availability of drugs in western consumer markets.

Impact on western consumer markets: Illicit drug crop production exceeds by far the current demand in Europe and the United States. In Afghanistan just 7,000 hectares of opium poppy - almost six percent of the total area grown with the crop in 2010 - are required to produce the UK's estimated annual heroin consumption of 30 tonnes. The high profitability of western markets means that trafficking organisations will give priority to them should eradication produce a temporary fall in production. It is therefore unlikely that eradication can deliver reductions in the availability of heroin and cocaine in western consumer markets. Even the Taliban's opium ban in 2001, which reduced global production by 65%, had a relatively limited impact on the availability of heroin in Western Europe (although retail prices did rise and purity fell).

Cost effectiveness: The number of national and bilateral agencies involved in eradication efforts as well as inconsistent reporting make it difficult to determine exactly how much has been spent on crop destruction over the last fifteen years. It is however clear that there has been significant investments, particularly in the destruction of coca. For example, in Colombia, the United States Government allocated US\$ 457 million between 2002 and 2008 to the Colombia National Police specifically for eradication. A further US\$ 463 million was allocated to the Air Service of the Colombia National Police over the same period, as well as US\$ 844.1 to the Army Air Aviation. Both of these services have responsibilities for supporting both aerial and manual eradication although do not report on exactly how much of the money they were allocated by the USG was dedicated to this task. A further US\$ 92.1 million was allocated to the Colombia Police and US\$ 103.7 million to the Counter Narcotics Brigade of the Army's Ground Forces between 2002 and 2008 in part to secure territory in support for both manual and aerial eradication campaign. Between 2002 and 2008 the USG estimated that a total of 1.2 million hectares of coca were eradicated and net cultivation fell from 144,450 ha in 2002 to 119,000 ha in 2008.

Efforts to eradicate opium have proven just as problematic. In Afghanistan the Afghan Eradication Force and the air support required to protect it and monitor its effectiveness cost the USG an estimated US\$ 992 million between 2005 and 2009. Over this same period the Afghan Eradication Force destroyed an estimated 9,236 ha of opium poppy and cultivation rose from 107,400 ha in 2005 to 131,000 in 2009. Mexico has eradicated poppy regularly since the 1930's. In 1947 the net poppy crop was 4,000 hectares. In 2009 it was 15,000 hectares.

Mitigation: Farmers affected by eradication can and do offset its impact. For example, by increasing the number of times the poppy capsule is lanced or picking smaller, less productive coca leaves. In Afghanistan and Pakistan the eradication of opium poppy has often been conducted after farmers have already undertaken the first and most productive lancing. Coca bushes can be washed by farmers after spraying or coppiced so as to reduce crop losses. In Colombia UNODC estimate that thirty one per cent of almost 85,000 ha destroyed in ten departments in 2008 were replanted. Farmers' responses include shifting cultivation to more remote areas. In Thailand farmers used land in other villages to get round eradication. In Peru in the 1990s, an apparently natural outbreak of fusarium oxysporum in the Upper Huallaga Valley led to the displacement of coca to the Aguaytia basin, Apurimac and San Martin Valley. In Afghanistan during the Taliban ban some farmers with multiple land holdings planted poppy in remote areas instead of in their most fertile, but more accessible, land.

Stage-managed eradication to create a 'demonstration effect' has not worked. Arrangements between the authorities and those whose crop has been eradicated become known. Such activities are seen as tokenism and fail to alter the farmer's perception of the risk associated with illicit drug crop cultivation. 'Show-case' eradication in Afghanistan, Burma and Pakistan has also been promoted by regional leaders to extract reconstruction assistance from the international community. When international assistance has diminished, they have encouraged renewed drug cultivation in order to extract further development assistance.

Increasing instability: By displacing drug cultivation to more remote areas and increasing support for insurgents, forced eradication can directly undermine the alternative livelihood initiatives that are necessary to achieve sustainable reductions in drug production. In Thailand, the initial emphasis on eradication in the 1970s increased support for the Communist Party. Following a review, policy changed to allow a minimum of three years of development assistance before eradication was undertaken. In Peru enforced eradication led to increasing support for Shining Path in the mid-1980s and the subsequent curtailment of both alternative livelihoods and eradication projects. In Bolivia, in 2001, violent unrest (including the deaths of coca growers and law enforcement officials) led the Government to reverse its policy on eradication in the Yungas and to slow eradication operations in the Chapare region. In Colombia eradication has prompted violent action by coca growers and increased support for FARC and other armed groups. In Pakistan, the death of thirteen people during an eradication campaign in Gadoon Amazai in 1987 resulted in a more cautious approach. USAID reported that its most successful projects in the area were those that combined development with law enforcement and permitted eradication to occur gradually in conjunction with the emergence of new income opportunities.

Sequencing: The UN General Assembly Special Session in 1998, building on experiences from the 1980's was clear that development interventions should precede eradication. Advocates of eradication ahead of the provision of development assistance tend to assume that alternative livelihoods already exist or that development agencies can create them quickly. In practice neither assumption has proved true. Drugs are typically grown in a small number of unstable, high-risk places where there are few viable alternatives.

Developing alternatives requires resources, time and the trust of households and local communities. Premature eradication damages the environment in which alternative livelihood initiatives operate and undermines the development of long-term solutions to the causes of drug production.

5.2. Alternative Development

Experience at the local level has shown that rural development efforts can be closely associated with reductions in drug crop cultivation as well as improvements in the quality of life of primary stakeholders. However, the success of these efforts has to be viewed within the context of what it can realistically hope to achieve. Budget constraints, the wider macro economic framework and the flexibility of traffickers, have all tended to undermine these interventions. Moreover, given existing levels of demand, economics dictates that where drug crop cultivation is squeezed in one area it will undoubtedly occur in another. Development investments in drug producing areas have however highlighted what can be done to improve the welfare of some of the most marginal groups in drug crop producing countries while reducing cultivation within a specific area.

Increasing income: Households have been found to abandon coca and opium cultivation despite their reported unassailable profitability. For example, in the highland areas of northern Thailand, annual family cash incomes tripled due to the diversification of agricultural production and livestock. In Buner, in Pakistan, household incomes doubled between 1983 and 1991 despite the elimination of opium poppy. Also in Peru, household incomes almost doubled from US\$ 1,190 to US\$ 2,200 despite considerable reductions in coca cultivation. Moreover, even though the development efforts in these areas have sought to diversify income sources rather than find single crop alternatives to coca and opium poppy, more profitable crops have been found. For instance, in Thailand, the substitution of flowers for opium poppy has led to profits being increased by over fifty times. In the Chapare rubber has been found to accrue four times that of coca per hectare. In Pakistan, onion has proven to be a more profitable crop than opium poppy. In Lao it is potatoes that earn more than opium and in Lebanon it is garlic.

Improvements in quality of life: Moving beyond measures of income, there have been clear improvements in the quality of life of primary stakeholders in these areas following development assistance. Life in an area like Dir in Pakistan is notably improved following a decade of assistance as well as the elimination of opium. This is an area that was previously known for its isolation, poor roads, lack of electricity, and public display of guns and opium shops has been absorbed into the national economic, legal and political framework of the country. Physical infrastructure combined with interventions aimed at diversifying agricultural production have provided the impetus for many households to shift from the cultivation of opium poppy to legal on-farm, off-farm and non-farm income opportunities. These interventions and in particular the improvement and extension of the road network, have provided the Government with improved access to the area so that it can provide social infrastructure, such as schools and health facilities, as well as establish law and order within some of the more remote valleys of the district.

In Nam Lang, in Thailand, the impact of newly introduced cash crops resulted in the tripling of cash incomes from US\$ 90 in 1990 to US\$ 240 in 1994. Furthermore, over ninety per cent of villages received primary health care and 92% of children had received vaccinations for diphtheria, tetanus and polio. The result has been reduced rates of infant mortality, sickness and malnutrition. In Doi Tung in Thailand cash incomes not only increased by almost ten-fold from the equivalent of US\$ 90 per capita to US\$ 730 over a fifteen year period but they diversified to such an extent that non farm income, in the form of wage labour and trade and made up over eighty per cent of the total household cash income.

Household expenditure patterns and education standards have also changed to reflect the improvements in the lives and livelihoods of primary stakeholders.

In Peru farmers revealed that a shift from coca to palm oil production in the Aguaytia Basin has allowed farmers save, invest in their future and educate their children. Levels of employment increased with the growing economic prosperity that palm oil had brought. And improvements in physical security were given a premium by the primary stakeholders of alternative development projects in the area, even on those occasions where a reduction in coca has been accompanied by falling levels of family income.

The limitations of the approach: Some development efforts in drug crop producing areas have been contractual in nature. They have provided short term single sector interventions to ease the process of eradication and coerced reductions. They have not addressed the levels of underdevelopment and conflict that are the causes of cultivation. These projects have not delivered enduring reductions in cultivation and have led to the relocation of both people and cultivation into adjacent areas, especially in parts of South East Asia and Latin America where there is an expanse of forest land that can be cleared for cultivation. Relocation can even be seen in the province of Helmand in Afghanistan despite the limits on agricultural land as farmers move north of the canal and sink tubewells in desert land so as to avoid efforts to reduce their opium crop.

Development in a drugs environment: It has become increasingly accepted that no single project can address the myriad of motivations and factors that influence illicit drug crop cultivation (even at a local level) and that reductions in opium poppy and coca will be dependent on the achievement of broader development goals, including establishing the institutions required for formal governance and promoting civil society, strengthening social protection mechanisms, as well as encouraging licit on-farm, off-farm and non-farm income opportunities.

The multi-sectoral nature of the task, often targeted more at nation-building than alternative development per se, points to the need for a broader ownership by a range of development actors of the development priorities in marginal drug producing areas and not just specialist drug control agencies such as UNODC. This shift in emphasis has led to development practitioners and experts in alternative development referring to 'development in a drugs environment' - an approach that seeks to mainstream the counter narcotics as a cross cutting issue within national development programmes. With the encouragement of the national government and donors the World Bank have been active advocates of such an approach in Afghanistan. In Laos the Asia Development Bank and the development organisations within the United Nations have also taken greater ownership over the issue of opium production and sought to address its underlying causes.

Conclusions and Strategic Steps Forward:

Opium and coca cultivation is not driven solely (or even, in some cases, mainly) by profitability. Opium and coca are elements in more complex rural livelihood strategies. They are non-perishable, low weight/high value products, ideally suited to the poor physical infrastructure that is typical of source areas. They are also resilient crops, with relatively guaranteed markets, providing a level of economic security that agricultural alternatives, such as fruit and vegetables, cannot offer in the absence of dependable market access, stable government and effective law and order. Opium and coca cultivation are low risk options for high-risk environments and not necessarily the most profitable crops available to resource scarce farmers.

It is these same conditions that mean licit cultivation is not a viable option in the areas in which opium and coca are currently concentrated. Developed countries can produce drug crops at a much lower cost and as well as guarantee supply. For example, opium poppy is currently grown on the island of Tasmania in Australia on large landholdings using mechanisation at a fraction of the cost of production in Afghanistan. Legalisation would have a negative impact on the rural economy of Afghanistan without significant support to strengthen and diversify the livelihoods of current opium poppy producing households. The call by some drug reformers to exclusively focus on problem drug use and ignore those that produce opium and coca neglect the fact that such a strategy would consign these communities to abject poverty.

Nor does crop destruction address the underlying causes of drug crop cultivation. It does not reduce availability in western consumer markets and can undermine long-term efforts to change the conditions that promote drug crop cultivation. Where alternatives do not exist, eradication is rarely cost-effective and can create perverse incentives for farmers to grow more drugs. Enforced eradication where alternatives do not exist can also fuel violence and insecurity, hostility to national authorities and displace cultivation to less accessible locations.

Drug crop producing households endure low levels of human development. Their options are limited by prevailing levels of insecurity, the actions of state and armed non state actors, and limited natural resources. The threat of violence and intimidation constrain access to public goods as well as inhibit the political and civil rights of the bulk of the rural population. Poor health, illiteracy and limited social and physical infrastructure reflect the low level of human development endured by the population in areas where opium poppy and coca are grown.

Despite the prevailing conditions in areas of illicit drug crop cultivation effective development assistance has not been forthcoming. Those that undertake development programmes in these areas largely do so under a drug control mandate. They often do not perceive development as either a process or an end itself but as a means of negotiation and softening the impact of eradication efforts. The development assistance offered is often limited in both scope and duration and largely fails to address the underlying causes of illicit drug production. Projects are assessed according to the number of hectares of opium and coca reduced and not on improvement in the lives and livelihoods of the farming communities in which they operate.

Development organisations far better versed in improving the quality of life of vulnerable and excluded populations rarely implement programmes in areas of opium and coca production despite the levels of under development that prevail. Even though the revenues from the illegal economy have an impact on the macroeconomic indicators that are used to judge the performance of national economies, multilateral development organisations rarely engage in either analytical or operational work on drug crop production. For these organisations drug production is often seen as a political or security issue and those that produce opium and coca are perceived as relatively wealthy and beyond the 'pro-poor' mandate of development institutions.

The drug control community dominates the discussion on opium and coca production despite the levels of underdevelopment in these areas. The governments of source countries often do little to encourage closer engagement by the wider development community. In Latin America there is a preference for governments to obtain grants for drug control projects funded by the European Union, the United States or other bilateral programmes rather than engage more closely with multilateral and bilateral development organisations where financial assistance is on a loan basis.

An effective campaign to increase the development communities' ownership of the drugs issue would change the policy and operational environment. It would shift the debate on eradication and lead to drug crop producers being treated as the primary stakeholders in a development process rather than criminals and passive recipients of short term development inputs. The development community would give priority to the achievement of development indicators rather than reductions in the area dedicated to opium poppy and coca which would impact upon the sequencing

To achieve this there are a number of strategic lobbying efforts that should be pursued as a matter of urgency:

- The Governments of opium and coca producing countries should recognise that drug crop producers are a development priority. They should make drugs a cross cutting issue within their national development agendas and request the International Financial Institutions and bilateral development donors to engage at both an analytical and operational level.
- The Global Rural Development Forum should be encouraged to include drugs as a cross cutting issue. The key bilateral and multilateral institutions responsible for the management of the forum such as the World Bank, the Food and Agricultural Organisation, the Department of International Development and GTZ should be lobbied to achieve this.
- Representation at the delegations at the United Nations Office on Drugs and Crime and the annual meeting of the Commission for Narcotics Drugs should be increased to include national development institutions. Currently discussions at these meetings are largely the preserve of departments of home and foreign affairs resulting in an emphasis on law enforcement and the neglect of the development priorities for drug producing countries.