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From Holy War to Opium War? A Case Study of the Opium Economy in North-eastern Afghanistan

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INTRAC

This paper examines the recent growth of the opium economy in north-eastern Afghanistan. A detailed analysis of one village in Badakshan Province reveals profound changes in the local economy and social institutions. The paper describes two major shifts in the local economy: first, the switch from wheat to poppy cultivation; and second, the shift from the livestock trade to the opium trade. It then examines the underlying causes and impacts of the opium economy on social relations in the village. Although a case study of a community living on the margins of the global economy, it is argued that these changes have important implications for international policymakers. The emergence of the opium economy in north-eastern Afghanistan is symptomatic of new and expanding forms of trans-border trade associated with the restructuring of the global political economy.

Keywords: Afghanistan, narcotics, drug trade, war economy.

Introduction

Globalisation and conflict

Traditional neoclassical analysis of conflicts viewed them as irrational. Since aggregate consumption and production declines, comparative advantages are lost and capital destroyed; why do people behave so inexplicably (Goodhand and Hulme, 1999)? Recent writings on conflict, however, have developed new insights through the analysis of global processes that contribute to systemic conflict. Duffield (1998) argues that protracted conflict is symptomatic of new and expanding forms of political economy. Today's conflicts are characterised by long-term innovative adaptations to globalisation, linked to expanding networks of parallel (illegal) and grey (semi-legal) economic activity.

As Keen notes, conflict is not the irrational breaking down of societies and economies: rather 'it is the re-ordering of society in particular ways. In wars we see the creation of a new type of political economy, not simply a destruction of the old one' (Keen, 1997: 7). Elite strategies in war economies may for example involve the control and export of high-value commodities, such as narcotics and precious stones

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(Duffield, 1999a). The opium and lapis lazuli trades in northern Afghanistan are just two examples. Afghanistan may be on the periphery of the global economy, yet elites within that country profit from state breakdown and the de-regulated environment at a local and global level. It has created the space and linkages for local assets like opium and lapis to be realised on global markets.

Clauswitz characterised traditional nation-state-based war as the continuation of politics by other means. However, in many conflicts today it may not be so much about winning the war as maintaining one's sphere of influence. As Keen concludes, internal forms of war may now be better understood as the continuation of economics by other means (Keen, 1998). This analysis has important implications in terms of our understanding of contemporary conflicts and policy aimed at preventing or resolving endemic insecurity:

> in conflicts where violence is decentralised and economically motivated, war cannot simply be 'declared' or 'declared over'. A lasting end to violence is likely to depend on meeting many of the needs of those carrying out acts of violence as well as the needs and interests of some of the more highly developed actors, orchestrating and perhaps funding violence (Berdal and Keen, 1997: 795).

We will return to the policy implications of this analysis at the end of the paper. The next section examines a case study of the opium economy in north-eastern Afghanistan. It is an attempt to present the 'view from the village' in terms of changes brought about by the opium economy and its impact on social relations within the village. An analysis of these changes then follows, conducted in the light of the recent writing and analysis on complex political emergencies (CPEs) as outlined above. Although there is an emerging body of writing on conflict and insecurity, which helps map out the broad terrain of the new world disorder, there is a lack of 'fine-grained' case studies (Richards, 1996) which examine how global processes affect local actors and communities. A key conclusion of the work in north-eastern Afghanistan is that action has got ahead of understanding and more detailed contextual analysis is important for both improved understanding and policy.

Before, looking at the case of Afghanistan it was important to highlight the methodological challenge of conducting research on war economies. One of the reasons why local perspectives are often missing from current analyses of CPEs may be because research in 'live' war zones is so sensitive and dangerous; both for the researchers and the communities themselves. It is beyond the scope of this article to examine in detail the methodological and ethical dilemmas associated with research in war zones, but one should recognise the real constraints that prevent local voices from being heard.

We cannot point to any methodological 'magic bullets' based on our experience in Afghanistan. However, three points are worth emphasising. First, safety for communities and researchers was always the primary consideration. Second, we found that in many instances neither traditional survey techniques nor participatory group-based activities were appropriate, because they attracted too much attention and often suspicion. For the most part, the research team adopted a low profile, interviewing a range of individuals within a community (including women, children, farmers, shopkeepers and opium traders) and through their oral histories,

incrementally and indirectly building up a picture of the war economy. Third, our entry point was not the opium economy, but an analysis of people's coping strategies and the impact of war on social institutions.

There are weaknesses in this methodology. It represents only a snapshot of one part of the opium economy at one point in time. Our analysis would be strengthened for instance by interviews with Afghan commanders and other links in the drugs chain, like the central Asia mafia. It would also be useful to track changes in the village over time to corroborate and verify our evidence. However, the key point is that in spite of the difficulties and constraints, it is possible to 'capture' local voices, leading to more informed analysis and policy formulation.

Background

The Afghan conflict

The Afghan conflict is a potent example of contemporary conflict resulting from a complex mix of factors, caused by years of bad development, Cold War politics, militarisation and tribal and ethnic schisms. The conflict has been going on for 20 years. In the 1980s one-third of the population was displaced and rural subsistence economies were deliberately destroyed. The withdrawal of Soviet troops in 1988 did not signal the end of the conflict. A process of 'Lebanisation' (Roy, 1989) followed during which the contradictions within the resistance movement surfaced. The conflict thus mutated from a counter-insurgency war with an ostensibly ideological basis into one characterised by warlordism and banditry. Since 1995 the war entered a new phase with the emergence of the Taliban which now controls around 80 per cent of the Afghanistan, with the remaining area controlled by an alliance of opposition leaders from the previous government.

It is beyond the scope of the paper to examine in detail the history and dynamics of the Afghan conflict. However the following points are relevant to our analysis later.

Conflict as process

Conflict is a social process in which the original structural tensions are themselves profoundly reshaped by the massive disruptions of CPEs. As Tilly argues, 'war is a form of contention which creates new forms of contention' (Keen, 1998). The Afghan conflict needs to be seen as less the outcome of a predictable pattern of causes and effects and more as a result of combinations of contingent factors. During the course of the conflict there have been periods and regions of stability mixed with instability, and the boundaries of the conflict are constantly changing.

Systemic nature of the conflict

Received wisdom has it that Afghanistan has changed from a holy war into a civil war. The reality, however, is far more complex; Afghanistan is part of a multi-layered and inter-dependent conflict system, in much the same way as the Great Lakes region is part of a wider zone of instability (Jones, 1999). This conflict system is characterised by great volatility and constantly shifting alliances which have a ripple effect on the

whole system. This applies externally in terms of the competing interests of the surrounding countries and internally in terms of the fluid and shifting alliances between the warring groups.

Far from being anarchic and irrational the conflict system is being directed and influenced by actors with clear strategic objectives. This applies at all levels whether we are talking about the interests of Pakistan and Iran, warlords like Dostam and Massoud or local-level commanders. All have a stake in the current system.

The war economy

A war economy has developed in Afghanistan which means there are strong vested interests in the continuation of the current situation. As noted above, to a great extent non-state entities are competing with one another for the control of spheres of influence and resources, leading to the fragmentation of Afghanistan. Hard facts about how this economy functions are difficult to ascertain, although one can outline a number of broad defining features.

Kabul has become an economic and political backwater; Kandahar is now the Taliban's centre of power and most of the important transport and trading links of the provincial cities now radiate outwards to the neighbouring countries rather than inwards to Kabul. Cross-border trade has been a strong centrifugal influence leading to the peripheralisation of the Afghan economy. The largest source of official revenue for the warring groups is customs duties from the smuggling trade between Pakistan, Iran and central Asia which uses Afghanistan as a land bridge. The war is now affecting the economies of all Afghanistan's neighbours.

Another important factor in the equation has been the competition between two oil companies; Bridas of Argentina and the US company UNOCAL to build a gas pipeline across Afghanistan from Turkmenistan to Pakistan. UNOCAL, however, recently pulled out of the initiative in response to US pressure.

The main source of unofficial revenue in Afghanistan is the drugs trade. Afghanistan has become the biggest producer of opium in the world. In 1998 opium production in Afghanistan rose by 9 per cent. The area under poppy cultivation was approximately 63,674 hectares while it is estimated that dry opium produce was 3,269 tonnes (UN, 1998). Many of the Afghan warlords have used drugs money to fund their military campaigns, however, approximately 90 per cent of drugs production is currently taking place in Taliban-held areas.

Finally, it has been estimated that upwards of half a million people are directly dependent on war-related activities for their livelihoods (Ostrom, 1997). This includes men enlisted as soldiers in the main regional factions, as well as those operating at the district level under local commanders

Badakshan Province

Badakshan Province is one of the few areas left under the control of the opposition forces of the Northern alliance. It is a mountainous region bordering Tajikistan and has traditionally been peripheral — geographically, politically and economically — to Kabul. Badakshan has always been one of the poorest areas in Afghanistan relying on subsistence agriculture and trading. The main crops are wheat and barley. In most areas only one crop a year is possible, inputs are rarely used and yields are very low.

Historically Badakshan has been a food-deficit area and vulnerable to food insecurity. Before the war local food production met only one-half of the province's needs and at present it only meets one-third. The conflict has disrupted agricultural production and markets and destroyed basic infrastructure. During the Soviet period this area benefited from subsidised cereal import but this was withdrawn in the early 1990s.

Tajiks are the majority ethnic group, however, there are also significant numbers of Uzbeks (who came from central Asia in successive migrations in the last two centuries) and Pashtoons[1] (who were resettled in northern Afghanistan in the 1930s). At the time of writing, Badakshan is one of the only remaining areas under the control of the forces of the Northern Alliance. The province comes under the remit of Ahmad Shah Masoud's administration, the *shura-e-nizar*, which has military and civil functions. The political context in Afghanistan has however always been characterised by shifting alliances and extreme fluidity (Kapila et al., 1995). This means that the situation on the ground varies from district to district and from village to village. The level of security depends to a great extent on the status and power of the local commander and his relationships with the *shura-e-nizar* and other commanders in the area.

Deh Dehi village

Deh Dehi is a village of 138 households situated 20km from the district centre of Faizabad. The road to the village was washed away by flash floods last year and villagers travel to Faizabad by donkey or on foot. Deh Dehi was settled 300 years ago by Uzbeks from Bukhara (now Uzbekistan). 'We belong to the same fathers, the same relatives and the same religion' (old man from Deh Dehi).

It is still an Uzbek village although the area is ethnically mixed with Uzbeks and Tajik villages scattered around the district. Traditionally the economy of Deh Dehi has centred around agriculture — mainly wheat and barley — and livestock. However, the local economy and the social structure of the village have been transformed by 20 years of conflict.

Violent conflict began in the area when the communists came to power in Kabul in 1978. Events in Badakshan mirrored the growing divisions between the Islamicists and communists at the national level. An uprising among the intellectuals in Faizabad was put down ruthlessly by the government and fighting spread when the Russian forces came into the area in the early 1980s. A Russian camp was located on the hill behind Deh Dehi and there was often shelling and firing at the village as the *mujihadeen* fought with the communist forces. Many of the people in the village were conscripted to fight with the *mujihadeen*.

The villagers were caught between the two warring parties; during the day, the army demanded water and food from the village while at night the *mujihadeen* would come and ask for fighting men and food. The communist forces eventually retreated from the area and then followed a period of infighting between the two political parties of the Hezbi Islami and Jamiat. The last five years, however, have been relatively peaceful with the area now under the control of the local Hezbi commander.

'Now that the Russians have left, we have a good life. We can walk around outside at midnight and move from village to village without any problems' (*mullah* in Deh Dehi).

Poppy cultivation and the opium trade

Although wheat farming and livestock trading are still important sources of livelihood, over the last seven years, poppy cultivation and the opium trade have become the key economic activities in the village. Now virtually all the irrigated land is given over to poppy cultivation, and most of the men who would previously have been involved in the livestock trade are either involved in the opium trade or working overseas.

One farmer estimated that he could get 1,000 to 2,000 lakhs annual profit from poppy cultivation compared to 20 lakhs if he grew wheat. 'Just recently, people's lives have improved because of the cultivation of opium. Now people have two to three sets of clothes and many household goods' (woman from Deh Dehi).

Shopkeepers from Deh Dehi or traders from outside buy resin from farmers and then transport it to the border of Tajikistan. Here the resin is sold to dealers linked into the central Asian mafia networks. The journey to the Tajik border is very arduous and dangerous, therefore the trade is monopolised by young men. Although the dangers are real (one man from the village recently had $1,500 stolen) the profits are great; it is estimated that opium which is sold at the farm gate for $25 per kg, has a value of $3,000 by the time it reaches the border with central Asia (Johnson, 1998). With the capital gained from the trade many of these men have invested in small shops and businesses in Deh Dehi. Ten years before, there were only four shops in Deh Dehi but now there are over 20, and many of them are seasonal, based upon a currency of opium resin.

The opium economy is controlled and taxed by local commanders. Villagers have traditionally paid two forms of Islamic tax: *zakat* which is a tax of 2.5 per cent on capital and given to the poor and *ushr* which is a tithe, or tax on income that goes to the state. Both of these taxes now go to the local militia or *jaba*.

'Before the war everyone gave *ushr* and *zakat* directly to poor people. During the war we cooked food and sent it to the *mujihadeen* and now our *ushr* and *zakat* go directly to the *jaba*' (villager from Deh Dehi).

The following article from the Itar Tass news agency gives an indication of the scale and quasi-feudal nature of the opium economy in Badakshan.

A stable rise in illegal drug trafficking across the Tajik-Afghan border to smuggle narcotics to other CIS countries and western Europe is a serious threat to the common interests of the Russian Federation and Tajikistan, Lieutenant-General Nikolai Reznichenko, commander of Russian border troops in Tajikistan, told a news conference here on Sunday.

To substantiate his words, the Russian general noted that 135 attempts at crossing the border, mostly by smugglers, were thwarted by border guards. The number of armed clashes increased as compared with 1998. That year, 35 transgressors were killed and seven wounded as a result of 40 armed clashes with smugglers.

According to Reznichenko, the Moskovsky and Pyandzh sections of the Tajik-Afghan border remain the favoured areas for smuggling narcotics. According to border guards, several dozen tonnes of drugs, including about two tonnes of pure heroin, are hoarded at these sections on the Afghan side. The general stressed that border guards detain smugglers at these sections almost every day.

Afghan drug barons now send threats to commanders of border posts, promising to murder them if border guards continue to seal off smuggling paths (DUSHANBE, 24 January 1998 (Itar-Tass)).

Factors behind the emergence of the opium economy

Badakshan has a long tradition of poppy cultivation which came from China and Bukhara via the silk route. Parts of Badakshan have a high rate of drug dependency, although this does not appear to be the case in Deh Dehi. Why then has opium only in recent years become a central part of the local economy? The answer to this question lies in processes at the international, national and local levels.

International level

The end of the Cold War and the final collapse of the communist government in Kabul marked an important shift in the Afghan conflict. Declining levels of external patronage (in comparison to the mid-1980s) forced the warring parties increasingly to develop their own means of economic sustainability. This meant moving beyond the Afghan state in pursuit of wider alternative networks in the regional or global market. Similar strategies have been employed by non-state warring groups elsewhere, from UNITA in Angola to Charles Taylor in Liberia, 'While globalisation and liberalisation have not caused these new forms of instability, market deregulation has made it easier for warring parties to develop the parallel or grey international linkages necessary for survival' (Duffield, 1999b: 8).

The drugs trade, which now accounts for an estimated 8 per cent of world trade (ibid.), can to some extent be linked to the breakdown of superpower patronage and control. In spite of a Northern consensus for elimination, the trade is growing and benefits from a deregulated global environment (ibid.).

At a regional level, the opium trade in north-eastern Afghanistan has profited from the erosion of strong central authority in neighbouring Tajikistan. The increased porosity of the border with central Asia and the growth of mafia networks have created the space and links necessary for the trade to flourish. In recent years, border controls with Pakistan and Iran have been tightened up, so much of the trade now uses routes through central Asia.

National level

A number of factors which encouraged the growth of the opium economy are a direct consequence of the conflict, while others are rooted in long-term processes that preceded the war.

The most notable factor is that of the collapsed state. Although one should not exaggerate the power and reach of the pre-war Afghan state, it did play an important law and order function. 'Life was peaceful in Zahir Shah's and Daoud's time. In that time the doors of our houses were never closed, even at night' (woman from Deh Dehi).

Villagers talked about the periods of King Zahir Shah and Daoud in the 1960s and 1970s as a time when the state was more powerful. They claimed to remember government soldiers burning poppy crops. Some described strategies they employed to avoid detection, for example, planting wheat around the edges of fields and poppies in the middle. In general therefore, the state appears to have played an important law-enforcement role in relation to poppy cultivation.

A second important factor was the removal of state subsidies for wheat in

Badakshan with the collapse of the Najibullah government in 1992. This, combined with the disruption of the wheat supply from neighbouring Kunduz Province, led to sharp rises in wheat prices and probably precipitated the switch by poor farmers from wheat to high-value poppy production (Clarke, 1998).

The collapse of the state created a power vacuum, which has been filled at the provincial and local level by alternative military and political structures. Political parties and commanders have emerged as the new leadership during the course of the war.[2] The military structure created by the commanders is known locally as the *jaba* and it depends on recruitment of local men (about 30 per cent of the young men from Deh Dehi are involved with the *jaba*) and taxation of the population. Leadership has come with the gun (as opposed to consent) and commanders have a vested interest in the continuation of weak central authority in which there are few restraining influences on their local 'fiefdoms'.

Although in Badakshan there is a provincial administration of sorts — the *shura-e-nizar* — in practice it lacks any legitimacy or finance to perform public functions. In reality, spheres of influence are franchised out to local-level commanders who are responsible for generating much of their own income locally; the opium economy is an important source of revenue. The Hezbi commander, for instance, who controls Deh Dehi and the surrounding district benefits directly from the opium trade, through taxation of the farmers and traders. Far from being actively discouraged, as in the past, farmers are now encouraged to grow poppy with the provision of softer loans from moneylenders.

Village level

At the village level, two important factors behind the development of poppy cultivation are economic and environmental pressure which pre-date, but have been aggravated by, the conflict. The population of Deh Dehi has increased steadily from around 40 households at the beginning of the century to a present population of 138.

'When our children become bigger, the land will not be enough for us all. There are no other jobs for our sons, what will they do?' (woman from Deh Dehi).

Land scarcity (about one-third of the population is landless) is a growing problem and source of conflict. For example six months ago there was armed conflict with a neighbouring village over the use of pasture land. Common property resources have been eroded due to intense competition for scarce resources and the breakdown of traditional rules and regulations for managing these resources. Destructive floods in the spring have contributed to severe soil erosion and decreased productivity of the land. All these factors have contributed to growing poverty in the village. Conflict has further increased people's vulnerability because they can no longer take their livestock to Kabul; the animal trade had been a major source of income before the war. 'Livestock used to be a good source of income but now the pastures and markets have been destroyed' (villager).

Villagers have few economic options beyond labour migration (about 25 per cent of the young men are involved in labouring work outside the village), joining the *jaba* or cultivating poppies. Moneylenders are prepared to provide loans on relatively good terms for opium production. Moreover poppies require less irrigation than wheat, the residue provides fuel for the winter,[3] it has medicinal value, the oil is used for cooking and oil cake for winter fodder and finally the opium resin is high value and easily

transportable — an important factor considering the bottleneck on the road from Deh Dehi.

The poppy has evidently been an important factor in mitigating the impacts of conflict, poverty and environmental degradation, at least in the short term. It is doubtful, given the advantage of the poppy compared to other crops, that farmers could be persuaded to switch back to say improved varieties of wheat. Farm gate prices for poppies have a great deal of elasticity; if an NGO tried to introduce improved varieties of wheat, the traders, would simply increase the buying price for poppies because their profit margins are so great already.

Another factor behind the growth of the opium trade in Deh Dehi, is the widespread displacement and migration caused by the war and economic stress. Many of the villagers of Deh Dehi were refugees or had been economic migrants in Pakistan and Iran. In Pakistan, in particular, through contact with other refugees and Pakistani businessmen, they saw the potential and profitability of poppy cultivation. Many of the younger men came back to the village and started poppy cultivation. Though still in many ways an isolated, inward-looking village, the conflict has increasingly opened the doors of the village to the outside world. 'We have more contacts with outsiders now. We feel like a silkworm coming out of its cocoon' (white beard, or village elder). 'When I came back I compared my village to Pakistan, where I saw good conditions and developments like roads and big buildings. I looked at my village and it was like a graveyard' (young religious leader).

Impact on the village

The transition to the opium economy has played an important role in transforming social relations in the village. 'Before the population was much lower and people relied on agriculture. Money was less and there was no trade or business. Now the population is high, agriculture is not enough and trade has developed' (villager).

Wealth distribution

The opium economy has created new tensions within the village in terms of how wealth is produced and distributed. It has created a 'new rich' of young men involved in the opium trade and the commanders who tax and control it. 'Some of our relatives have become rich through trade and smuggling and their lives have changed. My husband is old and he can't do these things. Some of them were our shepherds but now they won't even invite us to social occasions because we are so poor' (woman in Deh Dehi).

The conflict and the opium economy have therefore restructured economic and social relationships.

Village leadership and institutions

In many respects village institutions and leadership have proven to be remarkably resilient and adaptable to the changing context. It has been argued that civil society in Afghanistan has reasserted itself during the course of the conflict: 'As a result of the decade and a half of successful local community-based resistance struggles, civil society, especially in non-Pashtun territories of northern, central and western

Afghanistan has been re-established and is today much stronger than ever before' (Sharani, 1998: 232).

Afghan civil society is not made up of formal, rule-based organisations à la Putnam (Putnam et al., 1993), but consists of a complex web of informal, norm-based networks: 'Power in Afghan peasant society resides neither in a specific locality nor in a person, but in an elusive network which needs constant maintenance and reconstruction' (Roy, 1986: 22).

In Deh Dehi traditional leadership and networks still function effectively. The white beards and the *nomainda* (village representative) are still the gatekeepers between the village and the outside world. They are responsible for collecting taxes and organising recruitment for the *jaba*. They also resolve disputes and organise the community for public works, like road construction. On the face of it the survival of these institutions indicates that social fabric has not been a casualty of the conflict; relationships of trust and reciprocity and local associational life have been sufficiently resilient to adapt to the new environment.

However, as already mentioned, it is mainly the young men who control the opium trade and who own the shops in the village. Although this, as yet, has not led to conflict with the traditional leaders in the village — the white beards — it is evident that tensions are likely to increase. Not surprisingly, the young and the old have very different perceptions of recent changes in the village (see box).

Perceptions of change in the village

What the old men said . . .

'Life was simple then. The only food was bread, qurot and tea. Everyone worked on their own land.'
'Before if the elders said something, everyone would listen but now the young men don't respect them. If they want something, they do it even if that means killing someone. It's everyone for themselves now.'

What the young men said . . .

'People have been to other places and they are more broad-minded and educated now.'
'Life is better now than in the past. People are working and trading. Before people just grew wheat and led simple lives.'
'Money was scarce before, but now people have money because of poppy cultivation.'

The opium economy has also consolidated the position of the local commanders. It has enabled them to pay for the *jaba* and to maintain and extend their patronage networks. There is, however, little respect for this local leadership since it lacks accountability and reciprocity:

> Sometimes the people are asked to work to build a school or bridge or something and then the money goes into the pocket of the commanders or one or two of the elders who are close to the commanders (young man).

Although at the time of the research, leaders from the Northern Alliance were in the area trying to mobilise anti-Taliban support, the response from villagers was very sceptical: 'People feel that when we start fighting, all the leaders will run away to Tajikistan.'

Social capital[4]

Redistributive mechanisms have been and still are very important in mitigating the effects of the conflict. Interviews with villagers, particularly with women, present a consistent picture of sharing within the extended family. Redistribution within the extended family is a risk-spreading strategy that has been adapted to the conflict. Many families, during the *jihad* years for example, might have one family member with the *mujihadeen*, another with the communists, while others stayed in Deh Dehi or went to Pakistan as refugees or migrant labour (Glatzer, 1998). This helped spread risk in both economic and political terms. Therefore, interviews with villagers indicate the persistence of family and kin-based loyalties and the strength of Afghan systems of mutual support and informal social security.

The resilience of village institutions and networks also indicates that levels of co-operation, trust and reciprocity may not have been adversely affected by the war. The communal irrigation system, for example, organised by the *mirab* (controller of the water system) still functions effectively. This demonstrates that there are still sufficient endowments of social capital for community action, when it is clearly in everyone's economic interest to co-operate. Also the mosque remains very much the heart of the village; it constitutes a place for religious worship, a meeting-place to swap news, a space where elders come to discuss problems and resolve conflicts, and finally, somewhere to accommodate strangers.

Although on the one hand there is evidence of resilient coping mechanisms and continuity with the past, there are also signs that these institutions and relationships are beginning to show the strain:

> Before the war there was respect and we helped our neighbours. But now if your neighbours die, no one will even acknowledge it. Everybody is out for themselves these days. The war has also had a bad effect on relations between fathers and sons (villager).

A number of respondents mentioned changes in the relationships between fathers and sons; sons who had been to Pakistan or Iran or fought in the *jaba* were less inclined to listen to their fathers. Now it was becoming more common for sons, once married, to move into separate houses with their own families. Villagers also talked about the decline of *hashar* — voluntary communal activity such as helping with a farmer's harvest, or building a house. People are now either too poor or those who have worked outside the village are used to being paid for their labour.

Other indicators of the move from co-operative to more self-interested, if not predatory, forms of behaviour include the payment of *urshr* and *zakat* directly to the

commander rather than redistributing it to the poor. Also the erosion of common property resources like grazing lands indicates the breakdown of traditional rules and rights of use.

Finally, as mentioned earlier, contact with the outside world has had an impact on people's attitudes and behaviour. Young boys trained in the *madrassas* (religious schools) in Pakistan, have brought back ideas about Islam that are often at odds with the 'folk Islam' of traditional Afghan villages. The present *mullah* is one such boy. This again has increased inter-generational tensions. 'I went to the mosque to pray this morning and I could see that the children didn't feel comfortable with the way I was praying' (old man from Deh Dehi).

Gender relations

Existing gender roles are very resistant to change However, there are contradictory forces at play in terms of gender relations; on the one hand there appears to be a 'Taliban effect' even in areas which are not under the control of the Taliban. This is manifest in more conservative attitudes towards religion and freedom for women. On the other hand, as already mentioned, the conflict has opened the doors of the village to the outside world. Women have moved with their families to Pakistan and taken on new economic roles. Poppy cultivation, for example, is a very labour-intensive crop and women now play an important role in its cultivation.

Implications for policy and practice

This paper has attempted to explore the development of the opium economy in north-eastern Afghanistan from the perspective of Afghan villagers living in Deh Dehi. This, we hope, is an early response to the need for more fine-grained case studies, which link the emerging thinking on the political economy of war with an analysis of what is happening on the ground. The voice and agency of communities living in the thrall of conflict are frequently missing from analysis and policy.

This research is based on 'the view from the village', which is both its strength and its weakness. On the one hand we may have been able, at least partially, to penetrate the 'mud curtain' (Dupree, 1980).[5] This has provided insights into how a community has adapted to and responded to war and new forms of political economy. On the other hand, the focus on one individual village means that one should be wary of drawing wider conclusions, particularly in Afghanistan where every valley has its own unique history and micro-climate. However, we still feel that it is possible to map out four tentative conclusions which are pertinent to the emerging discourse on the political economy of conflict.

Conclusion 1. There has been a systemic change in the economy of Badakshan. Based on the evidence of Deh Dehi, the drug economy clearly provides many livelihoods and incomes in the context of an enduring conflict. The shift from wheat to opium cultivation and from the livestock trade to the opium trade has been a remarkably rapid transition and a large number of people now have an important stake in this economy; from the poor farmer, to the opium trader and shopkeeper, to the commander who controls and taxes the trade. Their involvement in this economy is perfectly rational given the lack of alternatives and the lucrative nature of the opium trade.

Conclusion 2. The growth of the opium economy is linked to processes of globalisation and the collapse of the nation-state. This systemic shift in the local political economy is symbiotically linked to the processes of globalisation and the collapse of the nation-state. The collapse of the Afghan state has created a power vacuum that has been filled at the local level by commanders. At the same time the decline of superpower patronage has meant two things. First, controls on non-state entities have declined. Second, these non-state entities have increasingly had to generate their own resources to service their military activities and maintain their patronage networks. These processes have coincided with the erosion of state authority in Tajikistan, the rise of central Asian mafia networks and the increased porosity of the border with Tajikistan. All these factors have enabled Afghan drug barons to link into and profit from the global drugs trade. As Duffield notes, warlords may act locally but they think globally (1999b).

Conclusion 3. This is not just a transitional phase; 'normal service will not be resumed shortly'. Afghanistan is in many ways the archetypal intra-state conflict, characterised by its longevity, socially divisive nature and its external support and trade networks. The opium economy in Badakshan is a classic example of the growth of parallel or trans-border trade in zones of instability. Duffield characterises trans-border trade in the following way:

- It is a mercantalistic activity which is largely uninterested in long-term productive investment.
- It is involved with controlling and apportioning wealth.
- Profit depends on maintaining differences and discrete forms of control.
- The dynamics of trans-border trade are likely to encourage informal protectionism. In many respects it has illiberal, quasi-feudal tendencies.

These points all clearly characterise the opium trade in Afghanistan. An important point to make here is that peace would disrupt the systems of production and exchange that provide such warlords and their followers with livelihoods. Peace is neither in their interest, nor is it a viable option.

Conclusion 4. Implications for policymakers; the need for coherence. Although there is a growing body of writing on the political economy and functions of conflict systems, there is limited evidence that this has been absorbed into mainstream analysis and policy. As Dufffield notes policy and thinking still appears to be based on a 'breakdown' model of conflict which assumes that war is somehow irrational and chaotic. This is particularly the case in Afghanistan. Kaplan's apocalyptic vision of the 'coming anarchy' is frequently invoked with regard to Afghanistan (1994). Similarly media coverage of the Taliban reinforces the view that the country has descended into barbarism.

While most policymakers and practitioners involved with Afghanistan have a more nuanced analysis of the problem than Kaplan or the tabloid press, important gaps in understanding are manifest at different levels and locations within the aid system; whether it is UN diplomats frustrated at their inability to get warring factions round the negotiating table to iron out their differences, or the UNDCP official wondering why poor Afghan farmers will not switch from growing poppies to improved wheat,

there is a lack of analysis of the incentive systems and structures which support violence and the war economy.

We still hear a familiar refrain from the international community of the need for the 'set-piece response' of calling a cease-fire, forming a broad-based government[6] and holding elections. This would be accompanied by a 'developmental fix' of social reconstruction assistance. How this peace package will address the interests of the non-state entities is not clear however, since these have little interest in or need of a unitary Afghan state.

Action has got ahead of understanding

As mentioned at the beginning of this paper, in many respects action has got ahead of understanding. There are a number of 'black holes' in our understanding and analysis. These include an understanding of the coping strategies of the perpetrators of violence as well as those of the victims. We have limited knowledge, for example, about the operation of parallel and grey economies and the political economy of warlordism. This paper would have benefited from additional information and direct interviews with commanders in Afghanistan and the drugs mafia in central Asia; these are areas about which very little is known or written, yet they are critical to a full understanding of contemporary conflict.

In the aid world there is more of a premium attached to doing rather than on knowing or understanding (Duffield, 1998). This is partly because careers in aid work tend to be broad (emergency services in Nicaragua last year; monitoring in Kosovo this year; refugee camps in Pakistan next year) rather than deep (learning a language, knowing the history, having long-term personal networks). Interestingly (and at the risk of being politically incorrect), the first fine-grained studies of Afghans living on what is now the Afghan-Pakistan border were conducted by British colonialists. The British army offered higher salaries to those officers who could learn local languages and culture; in the nineteenth century this incentive led to social descriptions, collections of folk tales and proverbs and numerous grammars and dictionaries (Grima, 1992; Duffield, 1998).

A key conclusion of our work in north-eastern Afghanistan is that action has got ahead of understanding and more detailed contextual analysis is important for both improved understanding and policy.

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Notes

1. Pashtoons are the largest ethnic group in Afghanistan, constituting 40 per cent of the

population. The Tajiks and Uzbeks are 20 and 6 per cent, respectively, of the total population of 20.1 million.

2. At the time of writing, Badakshan was still under the control of the forces of the Northern Alliance. In other parts of the country where the Taliban are in control, the power of local-level commanders has been circumscribed.
3. One farmer interviewed said that the dried poppy stalks from his fields provided fuel for up to six months of the year, an important consideration since fuel takes up one-quarter of the family income.
4. We use Putnam's definition of social capital as 'features of social organisation, such as networks, norms and trust, that facilitate co-ordination and co-operation for mutual benefit' (Putnam, 1993). Such norms and networks constitute endowments of capital for societies. Conversely, where norms and networks of civic engagement are lacking, as is often the case in internal wars, the potential for collective action would appear to be limited.
5. Dupree coined the phrase 'the mud curtain' to describe how Afghan villagers managed to protect themselves from the incursions of the state.
6. As one aid donor caustically remarked, 'We don't need a broad-based government, just a broad-minded one!'

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