## HELMAND FOLLOW UP XII: COTTON...AGAIN

## 31 AUGUST 2004

Information from the Bost cotton gin in Lashkar Gah indicates that the cotton purchased from the farmers for the crop year of 2003, last year's crop, was the lowest since 1996 when the Taliban first came to power: 3,408 metric tons. This figure jumped from 3,808 metric tons in 1996 to 6,075 metric tons in 1997 to 9,024 metric tons in 1998. But 2003 should have been a bumper crop year for cotton since the farmers received a record high (since the war) of cotton seed from the gin: 649,860 kgs. for this crop season. This is more than double what they received to produce the 1998 crop. In short, the disagreements in August 2003 over the price the cotton gin (the government) was going to pay the farmers for this cotton crop resulted in a major drop in the amount of cotton the farmers brought to the gin. The farmers indicated at the time that they would not sell their cotton at what they considered too low of a price: 67 afs. per mon (one mon = about 12 and a half pounds). And, apparently, they did not. At the same time, the consensus among the farmers was that they would all plant some poppy, which they did...a bumper crop. As previously noted, this was as much a political statement as it was an economic response.

So what happened to the assumed large harvest of the 2003 cotton? Some farmers, those in chronic debt, sold their cotton to the Bost gin at harvest time. They needed the money. Some held their cotton off the market hoping for a price change at the gin. But much of this cotton harvest was probably smuggled out of the province to be ginned in private gins in places like Kandahar and Heart. This is speculation. It would take about an hour in the field to find out where the 2003 cotton went. There are no secrets in rural Afghanistan.

The Cotton and Alternative Crops Project in the spring of 2002 revived farmer confidence in the cotton industry in Helmand. It brought spare parts and foreign advisors to the cotton gin, and resulted in farmers being paid for cotton they had brought to the gin just as the Taliban were being taken out but had not received payment. It resulted in Bost cotton going on to the international market for the first time since the war. (Cotton sold to Pakistani buyers does not count.) This revived confidence in the cotton industry resulted in the farmers planting the large cotton crop in the spring of 2003, noted above. It also made the poppy eradication program in the fall and winter of 2002-03 more palatable when combined with the rehabilitation work on the central Helmand drainage system which put several thousand men to work.

With the previously noted drop in cotton seed distribution for the 2004 crop season (Helmand Follow Up IX) we can assume a smaller cotton crop is maturing in the fields at present. There was a 35% drop in seed distribution between crop years 2003 and 2004. Will the cotton gin offer the farmers a better price for their cotton this year or will the

farmers again hold the cotton off the market and/or smuggle it out of the province? Will the foreign donors offer to help with the cotton industry and marketing or will they let it hang? Bost Cotton Gin personnel continue to ask for help but get no response. As far as I have been able to learn, no one, not even the NGOs are helping. In a sense, cotton and poppy are competing cash crops in central Helmand. They have overlapping growing seasons. Cotton has been one of the primary cash crops in the region since the mid-1960s. With some help, cotton can regain its position as the primary cash crop as it did in the years following 1973 when production grew several hundred percent in a relatively short period thanks to an enlightened pricing policy.

Do we want to support the cotton industry through a show of interest? Or do we want to support the opium poppy industry through inaction, as we did last year? We could perhaps add a bit of violence and clear negative political fall out if we support forced poppy eradication without support for the obvious alternative cash crop: COTTON.

I have outlined numerous times what needs to be done NOW, well before the fall planting season. As we all know, central Helmand does not need opium poppy. Central Helmand farmers know and will tell you that they do not need opium poppy. But they need some help to get rid of the crop. Unfortunately, the known and obvious cash crop alternative to poppy appears to be going down the drain. Why not take some action NOW?

Only you can do it. I can help.

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**PS**. With reference to the departure of David Craven, to allow the DAI infrastructure rehabilitation team to disband or shrink is clearly a mistake at this turbulent time when infrastructure rehabilitation should be growing not shrinking. This assumes that we want growing support for the central government and security. The rural population and especially the rural Pashtuns (my bias) must not get the impression that we are abandoning them or continue to ignore them, as we seem to be doing. We are playing into the hands of the opposition.

David Craven, for example, has the background and skills to repeat the 1992 DAI satellite analysis of land use in Helmand, perhaps the most productive region of the country. Between the 1970s and 1990 the amount of land under cultivation in Helmand was reduced. We can be sure that there is more land under cultivation now than at any other time in history. But how much more and where? It relates to water. Knowledge is important for planning and project design if we want effective projects. Details.