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Mr. Richard Adams INL/Asia Dept. of State Washington, D.C.

Dear Mr. Adams:

Poppy: As you know, the year 2000 was a bumper crop year for opium poppy in Helmand. I was there for harvest time and took some nice pictures that I have attached. The poppy plants were big and healthy when compared with the plants shown on a feature program last week on MSNBC/TV on the introduction of poppy into Columbia. But the Helmand poppies were a bit smaller than those I saw while working in Turkey in the 1960s. As seen in the photos, other crops were and can be grown by the same farmers. With a little help, top quality vegetables can be grown as envisioned by the U.S. planners of the 1950s and '60s. Cotton, discussed below, is another logical cash crop alternative.

The price of raw opium, according to Eng. Jawed of HAFO, continues to escalate from some 50 *lakh rupees* to some 1,500 *lakh rupees* per Kandahari *ser*.

According to Dr. Mohammad Khan Kharoti of Portland, Oregon, who just returned from a visit to his home village in Nad-I-Ali, he saw no poppy in that region. The name Kharoti is a tribal name and was one of the primary tribal groups settled in Nad-i-Ali in the 1950s. Dr. Kharoti received his medical education in the 1960s with the help of a USAID grant.

As a side note, Amir Khan Muthaki, Taliban Minister of Education is from the village of Zorgunkala in Nad-i-Ali. At some point, he might be an important contact relating to work in Helmand. Pashtuns never forget their roots. There are apparently no restrictions on establishing or supporting primary schools for boys or girls in Afghanistan. As usual, this differs from what the media reports. I was aware that the Swedish Committee out of Peshawar has between 100 and 200 boys and girls primary schools in the province of Ghazni. They apparently are using some dated teaching materials from the University of Nebraska.



1. Bumper crop of poppy, Nad-i-Ali, 22 April 2000.



2. Opium gum collection. North Shamalan, 23 April 2000 This is time consuming work.



3. Opium gum collection is labor intensive with the use of day-labor. North Shamalan, 23 April 2000,



4. North Shamalan, Same field as #3 above, winter 1998-99. Other crops were and can be grown with success.

Helmand cotton, on the other hand, had a bad year. The cotton gin bought 4446.620 metric tons of cotton from the 2000 cotton crop year. This is roughly half the 1999 crop year purchases and the lowest production since 1996. The pattern of buying, according to the farmers, has been that the cotton gin pays the farmers a low price for the raw cotton. The farmers receive a chit for the cotton at time of delivery to the gin and get paid some months later after the gin has processed and sold the cotton to private Pakistani buyers at rock bottom prices. They do not get international cotton prices. There is no advance payment or credit system as there was on an informal, speculative basis for opium.

Cotton is the logical cash crop alternative for poppy in Helmand where there is farmer knowledge and understanding of the crop and the infrastructure to process it. The recent imposed sanctions, however, will block the sales outside the country, and the Taliban need help with organizing a credit system, pricing for the farmers and getting back on the international market. Cotton could be the primary cash crop for the region, as it was before the Russian invasion but it needs some help.

Given the poppy ban, cotton production will likely increase dramatically this year. Most farmers will have few other alternatives that they know.

As the cotton industry stands, no one is making any money with the crop and no one is happy with the results. The last time I asked, every employee in the cotton gin, from the watchman to the mechanical engineer that keeps the place running, receive the same salary...not enough to live on as a single household income.

Helmand River water is low but flowing. The lake behind Kajaki Dam is some 6 meters below the spillway but was filling at an estimated 10 cm. per day this spring before the gates were opened for irrigation water. This is in addition to the water passing through the hydroelectric system. The recent Iranian complaints about the water shortage at the end of the Helmand River are likely based on fact. There has been no excess water as the Kajaki lake re-fills.

There was a Helmand water treaty signed between Iran and Afghanistan in 1973 just before the king fell from power in Afghanistan, guaranteeing a given quantity of water for the irrigation systems near Zabul. As I remember, there is a control gate on the Afghan side of the border.

There are two major intakes off the Helmand River above Lashkar Gah: the Saraj and Boghra canals, and many smaller ones before any water reaches Iran. The Boghra canal is the largest of the intakes with a major diversion structure through or over which the Helmand River must pass. If there is water in the river, the Boghra canal has water to irrigate the Marja, Nad-I-Ali and Shamalan

areas...central Helmand. According to all sources, there is adequate water in the Boghra canal, as there was during the drought of 1971-73.

Best wishes,

Richard B. Scott