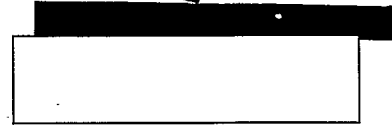


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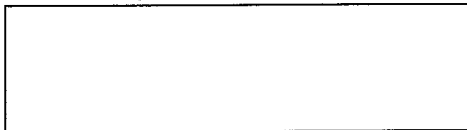


Intelligence Report

DCI Crime and Narcotics Center

**Afghanistan: Drug Trade
Flourishing Under
Taliban**

A Research Paper



APPROVED FOR RELEASE
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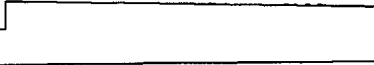
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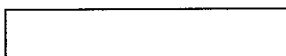
DCI Crime and Narcotics Center

Afghanistan: Drug Trade Flourishing Under Taliban



A Research Paper

This report was prepared by 
DCI Crime and Narcotics Center (CNC), with contribu-
tions from analysts in CNC and the DCI Counterterror-
ist Center. Comments and queries are welcome and may
be directed to the 



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**Afghanistan: Drug Trade
Flourishing Under
Taliban** [redacted]

Summary

Information available
as of 1 December 1998
was used in this report.

The growth of the narcotics business in Afghanistan has exploded due largely to the Taliban's ever-increasing role. Its involvement, which emanates from the highest levels of the militia leadership, has intensified over the last several years and earned the Taliban an estimated millions of dollars annually. [redacted]

- Top-level Taliban leaders, including Mullah Omar, set narcotics-related policies including taxation and production levels.
- Taliban military personnel provide logistic support and protection for drug shipments and laboratories.
- The Taliban has forged ties to the Quetta Alliance, a major regional trafficking group, and terrorist sponsor Usama Bin Ladin. [redacted]

As a result of these actions, opium poppy cultivation and narcotics production thrive in Taliban-controlled areas:

- [redacted] opium production has continued to increase since the Taliban seized control of most of Afghanistan. Taliban-controlled territory includes over 95 percent of the country's opium poppy growing areas.
- Morphine and heroin processing laboratories have proliferated, particularly in southern Afghanistan, largely due to Taliban-sponsored safehaven areas, [redacted]

Despite public pledges to ban drugs as a quid pro quo for UN recognition and counternarcotics assistance, Taliban officials are unlikely to do so any time soon. The stark state of the Afghan economy and the need to sustain the war effort make drug proceeds a convenient and lucrative means of supporting both basic economic development and continued fighting.

[redacted]







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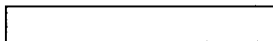
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December 1998

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Contents

	<i>Page</i>
Summary	iii
Taliban Involvement Widespread 	1
Ties to Major Traffickers 	3
Rising Cultivation and Heroin Refinement 	4
Economic Realities of Drug Ban 	5
Prospects 	7
Appendix	
Bin Ladin Links to Narcotics 	9





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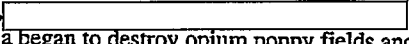



Afghanistan: Drug Trade Flourishing Under Taliban 

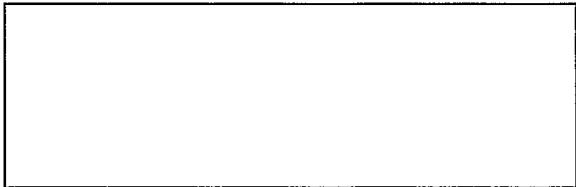
Taliban Involvement Widespread 


The Taliban continues to foster ties to the narcotics trade in Afghanistan—the world's second-largest opium producer—earning millions of dollars in the process. Taliban involvement emanates from the highest levels of the leadership and has intensified over the last couple of years. International drug traffickers—as well as terrorists affiliated with Usama Bin Ladin—are permitted to traffic in narcotics freely in Afghanistan (see the appendix). Drug traffickers who curry favor with the Taliban do not appear to wield any political influence over Taliban policy, but do provide a steady stream of much-needed revenues for reconstruction projects and continued military operations.

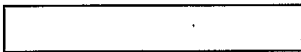
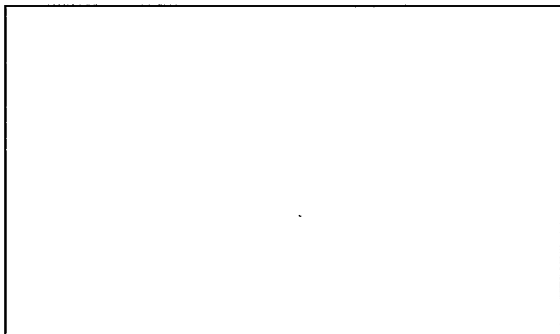
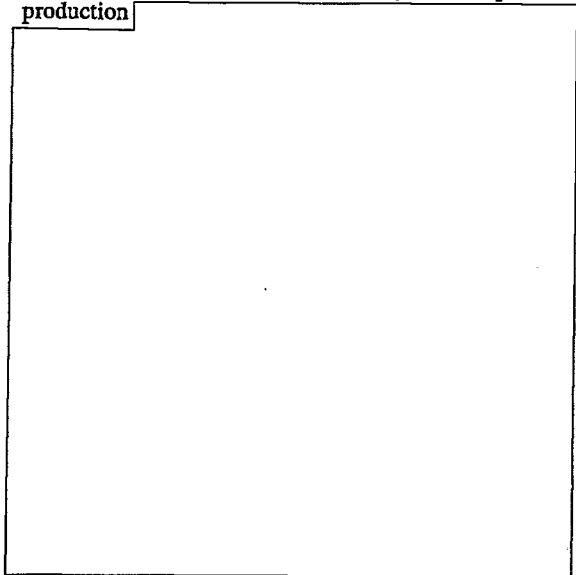


After the Taliban first organized as a military force in 1994,  the militia began to destroy opium poppy fields and punish drug traffickers because they viewed drug cultivation and trafficking as forbidden on the basis of their interpretation of Islam. Over the last several years, however, the Taliban apparently realized that this was having a calamitous effect on the livelihood of farmers in southern Afghanistan where the Taliban movement was founded. Taliban leaders likely also faced retaliation from well-armed international drug trafficking organizations in the region if they continued to implement counternarcotics measures. 

The Taliban now acknowledges that opium poppy is grown in Afghanistan and that it levies an Islamic tax on the crop which is distributed to the poor, but the Taliban denies further involvement. Contrary to these statements, the Taliban elicits handsome profits by levying fees on all phases of narcotics production—opium poppy cultivation, morphine base and heroin processing laboratories, and drug shipments—and grants traffickers the right to operate freely in Afghanistan in exchange for compensation, according to a variety of reporting.

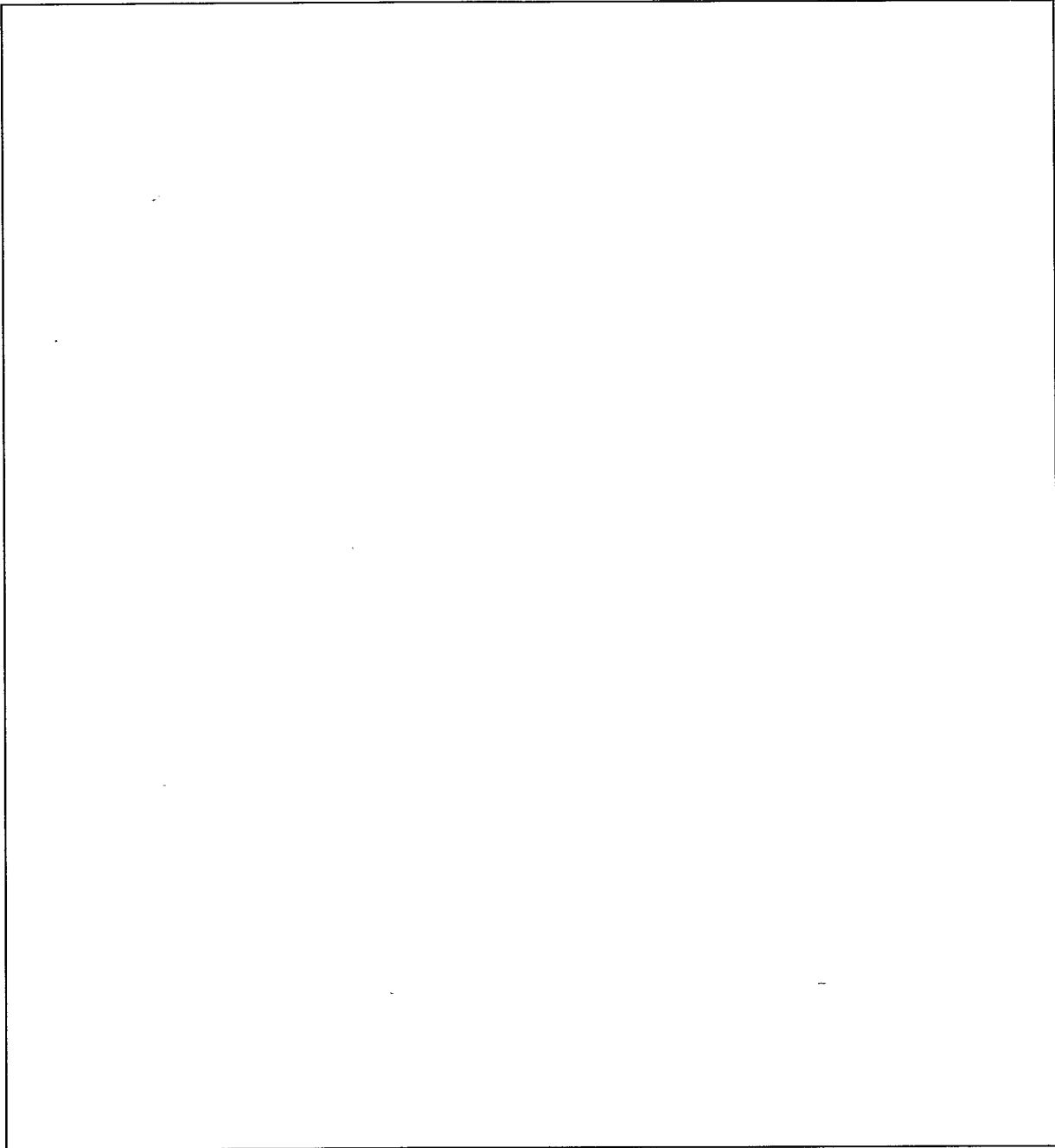


This year, top Taliban leaders have become more entrenched in the drug trade by attempting to manage opium poppy cultivation and by raising fees on opium production 



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[Redacted]

[Redacted]

The Quetta Alliance Drug Trafficking [Redacted]

The Quetta Alliance, a loosely based alliance of four families—Noorzai, Notezai, Rigi, and Shahbakhsh—based in Quetta, Pakistan, currently controls much of the drug traffic originating in Southwest Asia. The families use their ethnic, tribal, and political affiliations to operate an extensive drug-trafficking network throughout Pakistan, Afghanistan, Central Asia, Iran, and Turkey. [Redacted] Each family contributes a particular strength to the alliance, relying on each other's connections, money, and capabilities to negotiate drug transactions, to assemble narcotics loads, and to transport shipments to trafficking counterparts in Turkey.

Ties to Major Traffickers [Redacted]

As long as it receives sufficient dividends, the Taliban appears to be willing to host major trafficking organizations and provide an environment in which they are allowed to flourish. Some trafficking groups have moved across the border from Pakistan, given the opportunity to conduct their illicit trade without risk from law enforcement. [Redacted]

[Redacted]

With the goal of becoming the dominant narcotrafficking group in southern Afghanistan, the Quetta Alliance—already the largest drug-trafficking organization in the region—began to give support in the form of money and mujahidin recruits to the Taliban

[Redacted]

[Redacted]

[Redacted]

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[Redacted]

Rising Cultivation and Heroin Refinement [Redacted]

Both opium poppy cultivation and morphine base and heroin production have continued to increase under Taliban rule. [Redacted] Much of the regional drug trade seems to have shifted from north-eastern Afghanistan and northern Pakistan to southern Afghanistan—home to the Taliban movement. In the early 1990s, the Nangarhar region accounted for 60 percent of Afghanistan's opium poppy cultivation. By 1998, the southern Provinces of Helmand, Oruzgan, and Kandahar accounted for 76 percent of Afghanistan's opium poppy cultivation. This trend in drug production in Afghanistan to primarily the southern areas, which the Taliban has controlled since its inception, may be an indication of the militia's hand in the drug trade. [Redacted]

[Redacted]

Morphine base and heroin processing has also thrived in areas under Taliban control, particularly in the south. [Redacted]

[Redacted]

[Redacted] morphine base and heroin processing laboratories have been relocating to various Afghan provinces. This change is apparently partly due to Pakistan's raids on laboratories in the Northwest Frontier Province areas bordering Afghanistan in 1996 and 1997, partly due to the Taliban's hospitable arrangements with trafficking organizations, and partly due to the increased Afghan opium supply.

[Redacted]

... Afghanistan Fills the Void [Redacted]

[Redacted] opium poppy cultivation in the major growing areas in southern Afghanistan—Helmand, Oruzgan, and Kandahar Provinces—has continued to increase under Taliban rule. Likewise, since the Taliban seized control of Nangarhar Province in early 1996, opium poppy cultivation has increased, although not as dramatically as in the southern regions. [Redacted]

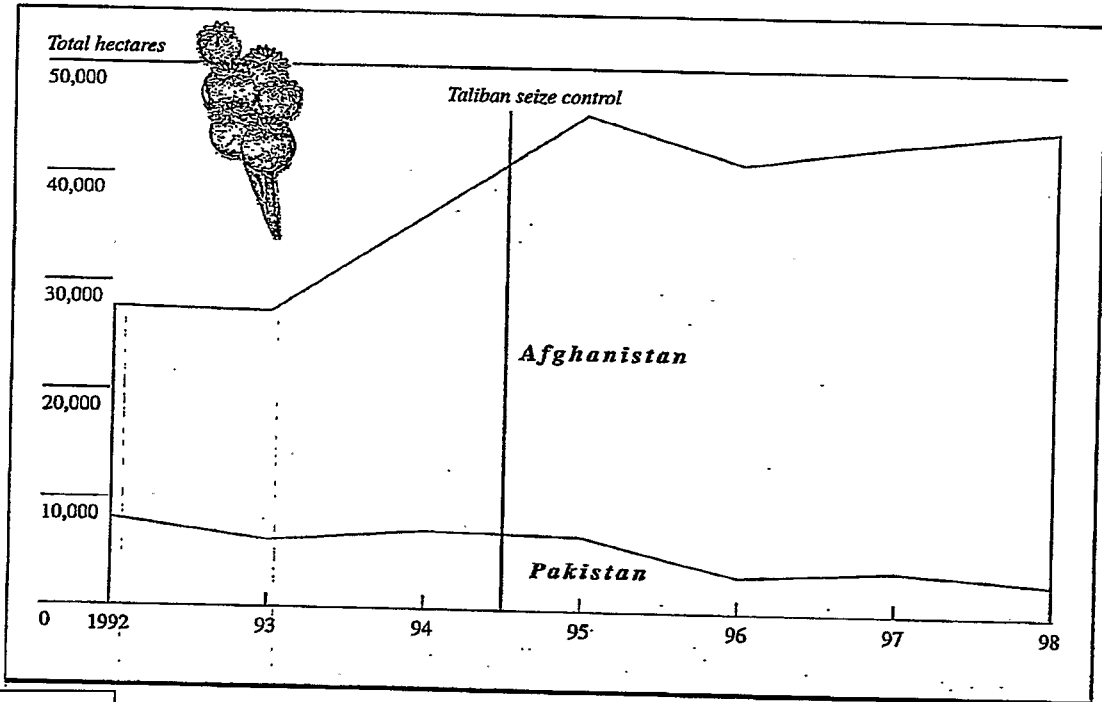
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Figure 2
Afghanistan and Pakistan: Opium Poppy Cultivation



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[Redacted]

Taliban officials appear to be split when it comes to banning narcotics between those who favor using the drug trade for income earned at the expense of "foreign infidels" and those who are serious about banning drugs, mainly on religious grounds.

Economic Realities of Drug Ban

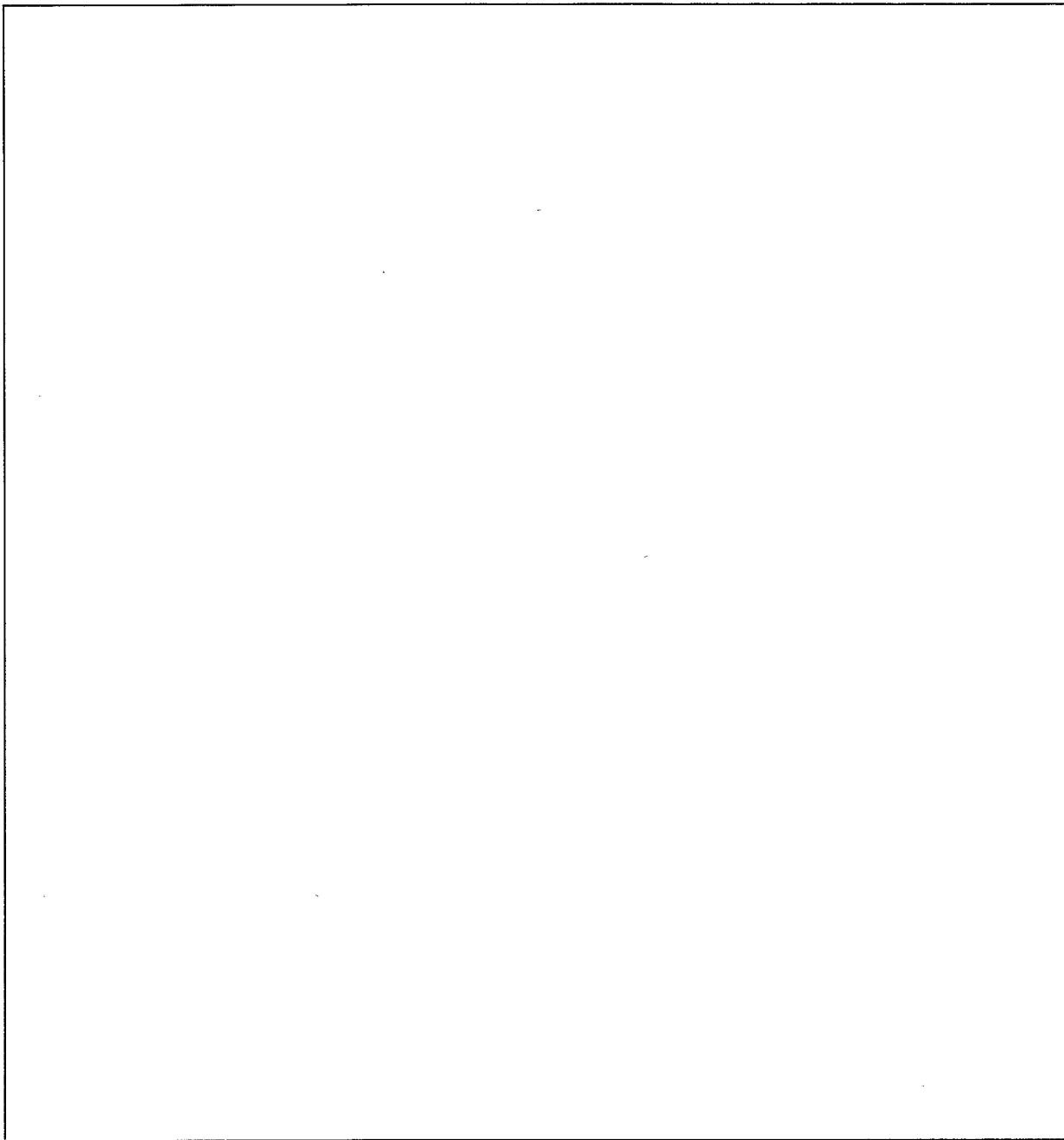
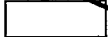
Taliban leader Mullah Omar has tried to use the narcotics issue as political leverage to gain UN recognition as the legitimate government of Afghanistan. Omar claims that the Taliban will ban opium poppy cultivation "unconditionally" if it receives a seat at the United Nations, Afghan media report. However,

The militia likely turned to taxes on narcotics as few licit sources of government revenues exist, given Afghanistan's war-ravaged infrastructure and economy. In addition, the Taliban claims that its farmers currently have no viable economic alternative.

[Redacted]

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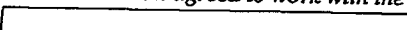


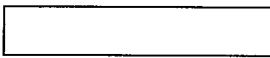
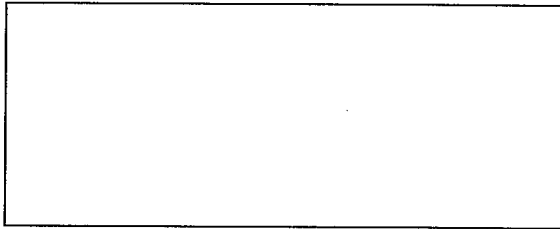
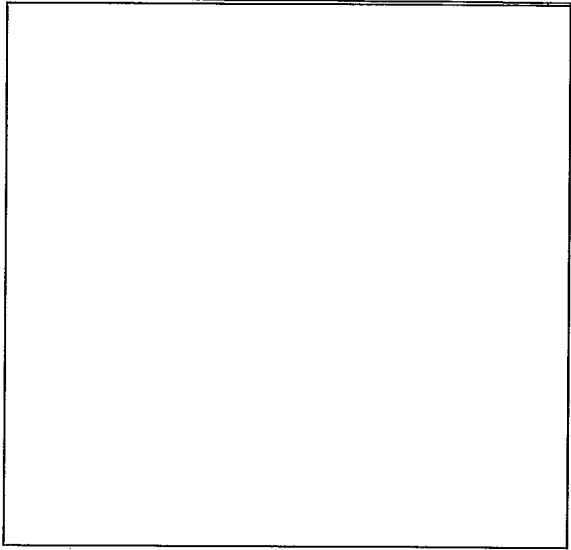
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UNDCP Losing Faith 


In October 1997, the Taliban formally pledged to work with the UN Drug Control Program (UNDCP) to eradicate opium poppy cultivation as part of UNDCP Executive Director Pino Arlacchi's strategy to eliminate opium production in Afghanistan over 10 years. There is little evidence to suggest that the militia have followed up with any actions to comply with UNDCP objectives. 

 opium poppy cultivation has continued to increase since the Taliban agreed to work with the UNDCP. 



Prospects 

A successful counternarcotics effort in Afghanistan would require peace, an unwavering Taliban commitment, and massive foreign aid and economic development assistance over a number of years. If the Taliban were to implement drug control laws with the same level of commitment and force that it has imposed its Islamic law, the militia could presumably have an impact—even a significant one—on the drug trade in Afghanistan. The Taliban no doubt is aware of the political gains to be made from cooperating on counternarcotics, but several factors weigh against the likelihood that it will tackle the issue before political stability and a viable economy are restored.

- A lack of drug revenues to support continued military action probably would weaken the Taliban's ability to make further gains against the Northern Alliance opposition and might make it feel more vulnerable toward neighboring countries, particularly Iran.
- Financial realities dictate that narcotics proceeds must be offset by funding from other sources. Alternative economic development schemes would take years to materialize and probably would not entirely make up for drug revenues. Many Afghan farmers would face grave economic hardship if opium poppy cultivation were effectively banned. The Taliban could lose popular support, particularly in southern Afghanistan.
- Likewise, stringent Taliban counternarcotics measures probably would provoke retaliation by well-armed Afghan-based international drug traffickers who already do not hesitate to use force to protect their equities in the drug business as currently demonstrated by smugglers' armed skirmishes along the Tajik, Turkmen, and Iranian borders. 

Governments that have recognized the Taliban as the legitimate government of Afghanistan—Saudi Arabia, the United Arab Emirates (UAE), and Pakistan—seem to have little success in influencing Taliban policy and probably would not be able to persuade the Taliban to crack down on drug traders. Relations between Saudi Arabia and the Taliban have been strained since the

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Taliban did not respond to Riyadh's request to hand over Bin Ladin. The UAE appears to have very limited relations with the Taliban. Pakistan, which has the closest contact with the Taliban and reportedly limited influence, either does not seem to have much leverage on the militia's counternarcotics policy or has been unwilling to address it thus far.

Likewise, UN programs to eradicate narcotics cultivation in Afghanistan have not yielded results because of the civil strife and the lack of a centralized government. Governments in the region may be more amenable to targeting the export of drugs from Afghanistan by building on the current UNDCP plan to form a

security belt in Central Asia that aims to enhance law enforcement interdiction along the Afghan border. Within this multilateral framework, Pakistan and perhaps Iran—which has called on the UNDCP to establish a similar security belt along its border with Afghanistan to stop the flow of drugs—might be included in this initiative. Under such a plan, the Taliban may feel pressured to initiate counternarcotics measures if neighboring countries present a united front at intercepting their narcotics flows.


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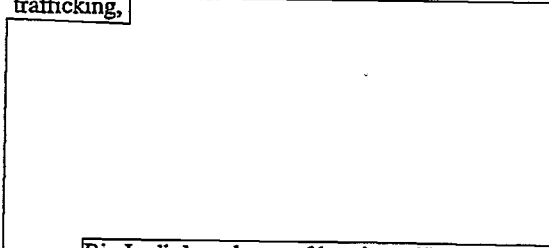
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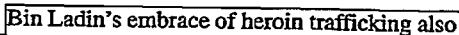



Appendix

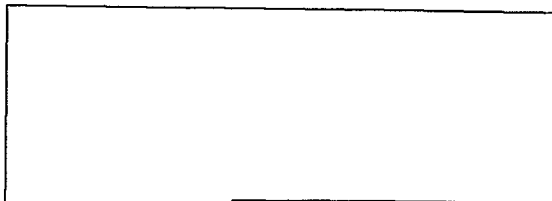
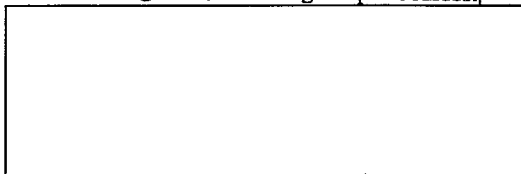
Bin Ladin Links to Narcotics

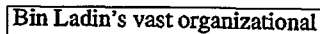
Terrorist financier Usama Bin Ladin's activities in Afghanistan have cut across both terrorism and drug trafficking, 

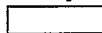


 Bin Ladin's embrace of heroin trafficking also may be driven by a need for additional funding to help finance development projects in Afghanistan, including costly Taliban reconstruction projects, that appear to be part of the price of his sanctuary.


- This year, international law enforcement operations targeting Bin Ladin's financial empire have forced him to seek alternative sources of revenues, one of which is drug sales, according to open sources. 



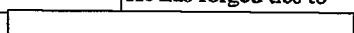
 Bin Ladin's vast organizational infrastructure and business holdings provide him with a ready conduit to transport narcotics worldwide.

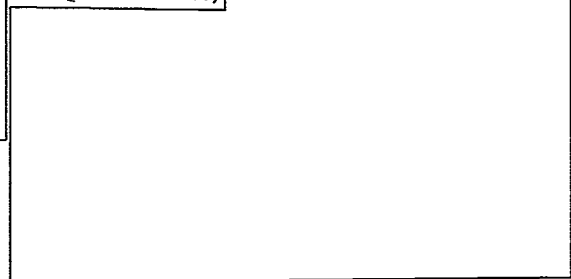


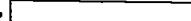
Ties to Quetta Alliance, Northern Traffickers

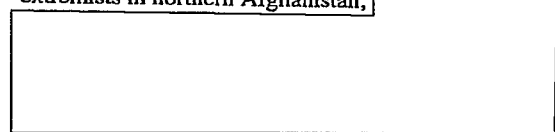
Since his move to Kandahar in the spring of 1997, Bin Ladin has become more engaged in drug trafficking, 

He has forged ties to

the Quetta Alliance, 

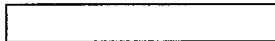
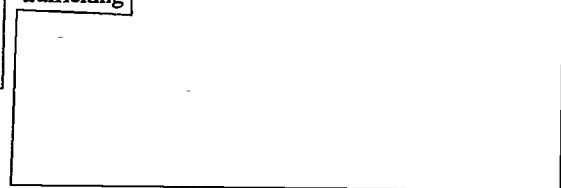


Bin Ladin also has connections to a group of prominent traffickers affiliated with Northern Alliance commanders Masood and Dostam, as well as Islamic extremists in northern Afghanistan, 



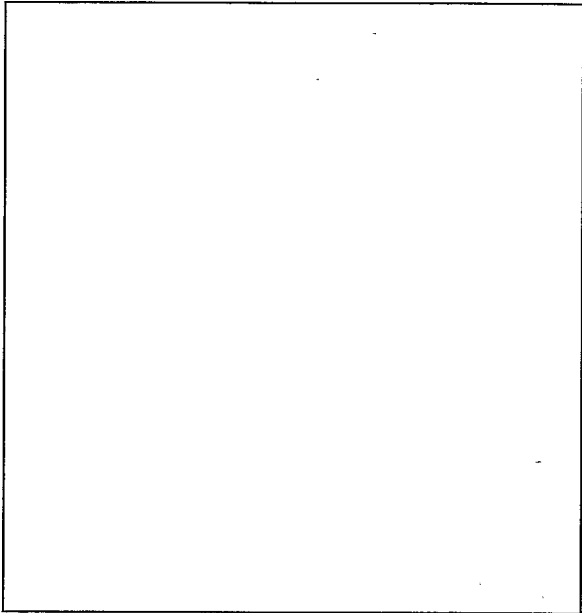
Extremist Connections

Maktab al-Khidmat, a Bin Ladin-affiliated Islamic extremist group, has increasingly turned to narcotics trafficking

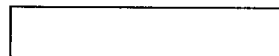


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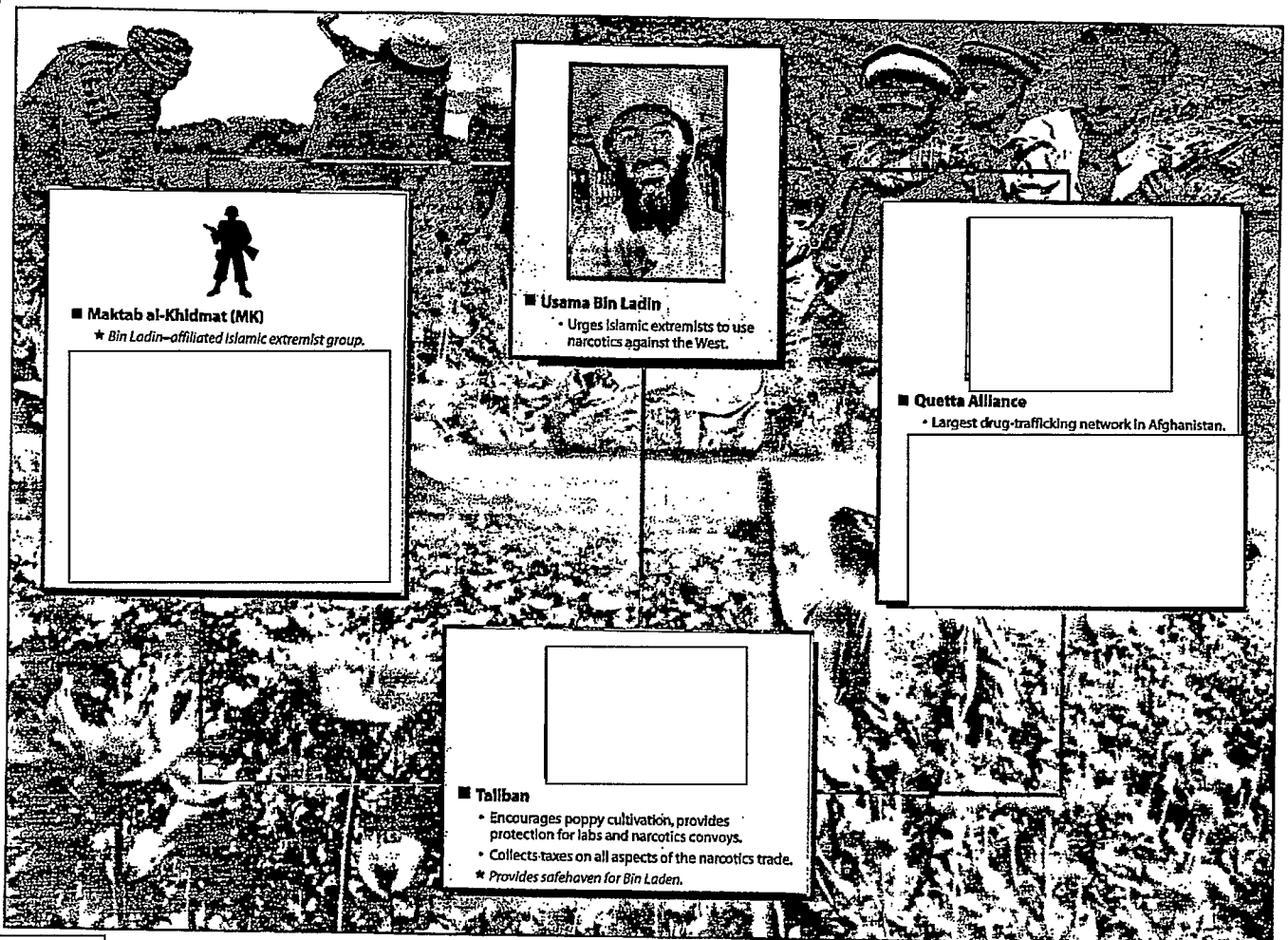


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Figure 3
Bin Ladin Ties to Afghan Narcotics Trade



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Reverse Sizing