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Adjusting International Trade Policies to Eradicate Hunger in Afghanistan

According to the Food and Agriculture Organization, due to scientific and technological advancements, the world is producing 17 percent more calories per person today than it did 30 years ago, despite a 70 percent population increase. This is enough to feed 2,720 kilocalories per person per day. However, world hunger is becoming more predominant and widespread. Globally, about 925 million people, 13.1 percent of the population, and almost 1 in 7 people face food insecurity (2011 World Hunger and Poverty Facts and Statistics). These statistics are in stark contradiction. Though research shows that in today's world, there is enough food to feed the entire population, food insecurity is escalating. This leads to only one conclusion: food insecurity and world hunger is caused, not by a shortage of food which is the prevalent belief, but instead by extreme poverty.

World hunger, in a world with enough food production, is caused by the inability to pay for the food, thus poverty. So poverty causes world hunger but world hunger also causes poverty. People in poverty cannot afford the high prices of the food in the market. They enter into chronic hunger and malnutrition. Hunger then causes long-term damage to health, reduces cognitive ability, and induces child retardation, which together then contribute to social and political instability, pushing people into poverty. Chronic hunger and malnutrition is often passed on to generation after generation, creating a vicious cycle of hunger and poverty (FAO). An epitome of this cycle is Africa. In the 1960s, Africa was not only self-sufficient in terms of food production but was actually a net food exporter. It exported about 1.3 million tons of food a year from 1966 to 1970. However, today, Africa imports 25% of its food, becoming a net food importer (Bello). This example proves that Africa's current conditions of food insecurity is not due to a lack of food nor is it due to an inability to cultivate crops, but rather it is due to the cycle of food and poverty. To end this cycle, food must become available to the poor, thereby taking them out of poverty and hunger. As mentioned before, food shortage is not an issue here. The issue is that the food is put at too much of a high price for poor civilians to afford. So the two solutions to make food available to the poor, is to either lower the price of food or to increase the incomes of the poor. Both of these solutions can be achieved by regulating international trade policies.

Afghanistan is an entire country caught in the vicious cycle of hunger and poverty. The official unemployment rate in 2005 was 40% percent. And according to more recent estimates, the rate may be as high as 80% in some parts of the country (Afghanistan: 20 Million People Under the Line of Poverty). As of October 2008, an estimated 8.4 million Afghans are suffering from malnutrition and food insecurity (Hunger could kill more people in Afghanistan than the Taliban). An approximately 36% of the population is below the poverty line. Afghanistan's GDP per capita is $800, which classifies Afghanistan as one of the world's poorest countries (CIA - The World Fact Book). As of 2011, food prices in Afghanistan have escalated by 30% (BBC). Now most Afghanistan citizens cannot afford to buy their staple foods. The high food prices are pushing Afghanistan into famine and poverty.

Afghanistan's food insecurity can be solved with controlling trade policies. In 2008, Afghanistan exported agricultural good of $603 million value. Its major exported goods were opium, fruit, nuts, wool, and cotton and major export partners are U.S., India, Pakistan, and Tajikistan. In that same year, Afghanistan imported foreign goods of $5.3 billion value. Its major imported goods were food, textiles, and machinery. Its major import partners are U.S., Pakistan, India, Germany, and Russia (CIA - The World Fact Book). Obviously these numbers create a large economic deficit for Afghanistan because the country is importing much more than it is exporting. In an effort to stay out of debt, the Afghan government raised food prices, which is the underlying cause of famine in Afghanistan. Afghanistan must reduce its imports and increase its exports.

Afghanistan has the resources and terrain to sustain an adequate agricultural economy. Traditional Afghanistan crops include grape, pomegranate, and almonds, which all sell at a higher price than Afghanistan's current major export, opium. However, most Afghanistan farmers do not have the capital required to start up a fruit or nut orchard (Palmer). Therefore, to solve Afghanistan's food insecurity, import prices must be reduced temporarily and export prices must be increased temporarily to allow Afghanistan citizens to save up capital. To reduce import prices, Afghanistan can adapt a Preferential Trade Agreement, which can be either a Bilateral Trade Agreement or a Multilateral Trade Agreement, or Afghanistan can adapt a Transit Trade Agreement. To increase export prices and increase the income of Afghan citizens, developed countries should promote the selling Afghan exported goods or Afghanistan should improve Counternarcotic International Policies. By recuperating international trade policies concerning Afghanistan, the citizens of Afghanistan will be able to save enough capital to create a better way of earning money. Therefore, global international trade policies must be created and improved on in order to decrease Afghanistan's expenditure on imports and to increase Afghanistan's profit from exports, thus improving Afghanistan's food security as well as promoting agricultural trade.

The most feasible and beneficial modification that can be made to Afghanistan's trading policies is a Preferential Trade Agreement. A Preferential Trade Agreement is defined to be "a trade pact between countries that reduces tariffs for certain products to the countries who sign the agreement. While the tariffs are not necessarily eliminated, they are lower than countries not party to the agreement. It is a form of economic integration" (What Is Preferential Trade Agreement, PTA: Definition and Meaning). There are two basic types of PTAs: a Bilateral Trade Agreement and a Multilateral Trade Agreement. A Bilateral Trade Agreement is a PTA between two countries. This trade agreement is easy to negotiate. A Multilateral Trade Agreement is a PTA between many countries. There are many benefits to a Preferential Trade Agreement. PTAs do not require too much time to negotiate; therefore it can be negotiated within one electoral cycle of 3 to 5 years. Throughout the history of PTAs, Bilateral Trade Agreements have been providing immediate, reciprocal gains for both the countries involved in the agreement (Dieter). The greatest benefit of a Preferential Trade Agreement for Afghanistan is the lower priced imports, which will reduce the food prices for the Afghan people. Afghanistan has already conducted a Bilateral Trade Agreement with India, officially called "India-Afghanistan Preferential Trade Agreement (IAPTA)". IAPTA was created March 6, 2003. The Government of Afghanistan granted a preferential tariff on eight items exported by India, including tea, medicine, sugar, and cement (Preferential trade agreement between the Republic of India and the transitional Islamic State of Afghanistan). As a result of this PTA, tea, medicine, sugar, and cement have become available to the Afghan people at a lower price and Afghanistan has been able to more easily sell its own exports. Not only that, but IAPTA has also resulted in an economic integration and an alliance between Afghanistan and India. Though the trade agreement between India and Afghanistan may not have been a significant assistance to the people in Afghanistan, the agreement does serve as an example for future Preferential Trade Agreements concerning Afghanistan. A good solution to provide low priced food to Afghan citizens would be for Afghanistan to grant preferential tariffs to its bordering countries' food exports. For example, in the year 2008, Afghanistan's neighboring country, Iran, exports to Afghanistan stood at $800 million (Iran ready to help Afghanistan build up economy: minister). If Afghanistan were to form a PTA with Iran, then all of Iran's exports would be available to Afghan citizens a lower price and the agreement could be negotiated fairly quickly.

Another method to decrease Afghanistan's import prices is to create improvements to Afghanistan's Transit Trade Agreements (APTTA). An example of a revised and improved transit trade agreement is the Afghanistan-Pakistan Transit Trade Agreement, which was signed on July 18, 2010 and fully implemented on June 12, 2011. The APTTA was created to replace the Afghanistan Transit Trade

Agreement, created in 1965. The APTTA implements Afghanistan trucks to be allowed to carry Afghan transit export cargo to Pakistani ports and to the Indian border through the Wagah border crossing, which is near the city of Amritsar in Indian Punjab (Sachdeva). This agreement is very beneficial for Afghanistan's economic development and regional trade. The APTTA creates a shorter trade route from Afghanistan to India via Pakistan. This will reduce the transportation delays and costs of Afghanistan's imports, implying that the imports will be available to the Afghanistan citizens at a lower price. Furthermore, the APTTA now allows Afghanistan to export perishable goods in transit in open trucks and other transport units (Sachdeva). This denotes that Afghanistan will now be able to export traditional Afghanistan crops, such as grapes, melons and pomegranates, to India, who is one of Afghanistan's biggest export partners. According to the U.S. Department of State, the APTTA "will help reduce cross-border smuggling, increase government revenues from legitimate trade, and have a multiplier effect as supporting services grow to support increased trade"(Toner). The APTTA serves as an example for Afghanistan. Afghanistan can implement revisions to its current transit trade agreements with other bordering nations. By doing so, Afghanistan can further reduce the price of transportation for importing and exporting and can gain more trading access to other countries. Creating Preferential Trade Agreements and revising transit trade agreements are two major ways that Afghanistan can reduce the cost of its imports; therefore reduce the price of food, allowing more Afghans to afford the food, which is one step in taking them out of the hunger and poverty cycle.

The greatest method to increase Afghanistan's export income is to promote the selling of Afghanistan's exported goods. The method to do this is for other countries to grant tariffs to Afghanistan in a Preferential Trade Agreement, described previously. Using the same example mentioned before, the India-Afghanistan Preferential Trade Agreement has also granted tariffs to Afghanistan. India has lowered prices on the following Afghan exported goods: raisins, apricots, plums, pistachios, figs, walnuts, almonds, mulberries, grapes, cherries, melons, pomegranate, and seeds. By lowering the prices of these traditional Afghanistan crops, India is promoting these exports. This puts these Afghanistan exports into higher demand and competition, motivating the Afghanistan farmers to farm these crops and inducing the Indian population to purchase Afghanistan goods. This example agreement can be replicated with other nations.

Counter Narcotics International Policies play an important role to increase Afghan citizens' income. "In Afghanistan, drugs are now a clear and present danger. The fear that Afghanistan might degenerate into a narco-state is becoming a reality", said by Antonio Maria Costa, the executive director of the UN Office on Drugs and Crime (BBC News). In 2006, Afghanistan produced 92% of the global supply of opium, which was a production of 6,100 tons of opium poppy (Chossudovsky). This high production of opium in Afghanistan is highly detrimental for Afghanistan citizens because it further induces Afghan citizen into the hunger and poverty cycle, it is a black market trade, and its presence prevents Afghan farmers from farming food crops which are a more stable, more fair type of trade.

The opium drug trade is a direct cause of the hunger and poverty cycle present in Afghanistan. According to the U.S. Department of Health and Human Services, there are more than 200,000 opium and heroin addicts in Afghanistan (Callimachi). There are entire families who smoke opium as a family past time. This lifestyle revolving around opium brings serious consequences. Addicts go into deep debt trying to buy opium. According to MSNBC, "most of the addicts spend \$3 to \$4 a day on opium in a part of the world where people earn on average \$2" (Callimachi). Addiction to the narcotic drug also causes nausea, severe depression, respiratory problems, and, if taken in large doses, death (Opium | The Partnership at Drugfree.org). So, addicts of this drug easily enter the cycle of hunger and poverty by spending all their earning on the drug and ruining their well-being by the drug.

Opium is an illegal, black market drug. Nearly 70% of the profits generated by illegal drug trades is laundered and invested through foreign banks and institutions. This makes the opium drug trade very hard to mitigate. Furthermore, since it is a black market trade, though more than 50% of Afghanistan's economy comes from the opium trade, farmers get a very small percent of the revenue. "Afghan heroin sells on the international narcotics market for 100 times the price farmers get for their opium right out of the field" quoted by the Voice of America in February 27, 2004 (Chossudovsky). In 2006, the drug trade made revenue of $2.7 billion. Yet, 95% of the revenue stayed within a few selected groups: drug dealers, terrorist groups, business syndicates, organized crime and banking and financial institutions (Chossudovsky). This implies that, generally, a black market trade, in the long run, does not benefit the country that is exporting the illegal good because most of the profit is received by only a few individuals, causing the country to fall into an economic inequality. This case is even more deepened in Afghanistan, where the black market trade of opium is a major source of income. Because opium is Afghanistan's major export, the economic inequality in Afghanistan is huge, causing a great deal of the population to be in poverty and hunger.

If the opium drug trade is completely destroyed, Afghanistan farmers will be forced to grow their more traditional crops, such as various fruits and nuts. This in the long run will increase Afghanistan's exports and income. There are two major reasons that most farmers in Afghanistan cultivate opium instead of traditional crops. One reason is because opium is sold very easily in the market through illegal drug supply chain. There are an estimated 40 to 50 million heroin and opium addicts worldwide (Facts and Details). So opium is a highly used and popular drug. Another reason that Afghanistan farmers choose to grow opium is because it is easier to cultivate than other crops. Poppy seeds are plentiful and inexpensive. The soil does not require high maintenance. Fertilizer is minimally used. Poppy seeds just need to be scattered and not drilled in deep like other crops require. Opium poppy can also withstand drought conditions better than other crops (Palmer). Compare to opium, other traditional Afghan traditional food crops require high maintenance, high quality soil, and fertilizer. However, though opium is cheaper to cultivate, it is not a stable source of income, since it is a black market drug. Furthermore, opium's actual profit per acre is $850. While as traditional Afghanistan crops are sold at higher price. For example, grapes sell for $1000 per acre, pomegranate sells for $5000 per acre, and almonds sell for $6000 per acre. By diminishing the drug trade, Afghan farmers will have to resort to cultivating food crops which will then provide a more stable trade and income, create fair trade, promote agricultural trade, increase global food production, and create a greater long term export income for Afghanistan.

International trade policies can stop the drug trade by cutting off the supply and demand. Examples of this include multilateral international drug control treaties and suspensions of U.S. foreign assistance appropriations to countries that are major illegal drug producers or major transit countries for illegal drugs, or "drug majors" (Wyler). The three multilateral international drug control treaties already established are: the 1961 Single Convention on Narcotic Drugs; the 1971 Convention on Psychotropic Substances; and the 1988 Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (Wyler). These treaties hinder the production of narcotic drugs. The second method is to suspend foreign aid on countries who are "drug majors". This is a very effective method. Countries who are involved in the international drug control treaties suspend aid and trade from countries who are involved in black market drug trade. This encourages those countries to create more laws and more efforts to stop the opium drug trade. Though neither of these methods has been completely successful yet, they are heading in the right direction. These methods are much more productive than other methods to diminish drug trade, such as eradicating crop fields. Using international trade policies to diminish the opium drug trade does not release harmful chemicals into the field nor does it burn potential, arable land, therefore it is the best way to solve the opium drug trade issue.

By putting Preferential Trade Agreements, Transit Trade Agreements, and Counternarcotic International Policies to use, Afghanistan is capable of decreasing its expenditure on imports and increasing its income on exports and thus capable of ridding hunger and poverty within its population. Many foreign countries are providing billions of dollars of foreign aid to Afghanistan as a method to purge hunger and poverty from the country. However, this is not a beneficial long term solution because eventually it will become counterproductive and create inflation in the economy. Manipulating and implementing international trade policies is the most preferable method to rid food insecurity in Afghanistan because it does not cause inflation but rather develops Afghanistan's economy so that the country can become self-independent and produce enough food to sustain itself, taking its people out of the vicious cycle of hunger and poverty. Science and technology alone can't solve world hunger unless the international trade policies support food security, which has been meticulously presented by famous economist Prof. Amartya Sen (1998 Nobel Laureate in Economic Science) in his famous book 'Poverty and Famines: An Essay on Entitlement and Deprivation".

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