

In the Name of God, the Most Merciful, the Most Kind



September 04, 2016

## A Ray of Hope

Afghanistan has been facing troubles and problems in different sectors and mostly there are pieces of news that point at certain disappointments; however, every now and then there are certain events, accomplishments and news that raise the hopes of the people to a certain extent. These hopes show that there is not complete darkness. There is light and all we have to do is guard that light and try to lighten the other parts of the country through the same. This seems difficult but it is not impossible. It would require determination, honest efforts and above all the willingness to pursue the cause.

One of the rays of hope in Afghanistan's agricultural sector is saffron. Afghanistan's saffron is the best in the world and it was announced to be so by International Taste and Quality Institute in Brussels, Belgium. Therefore, it has great value and at the same time high demand. Therefore, every effort should be made to increase its growth so that it should be able to generate more and more income for the country.

The good news is that there are efforts underway in this regard. The Ministry of Agriculture, Livestock and Irrigation (MALI) on Saturday announced that 280 tons of saffron bulbs would be distributed to farmers for the reproduction of the crop, saying the ministry also planned to issue licenses to a number of saffron processing companies this year. According to a statement by MALI, 230 out of 280 tons of saffron bulbs would be distributed by the ministry and the rest of others by cooperative organizations. The statement added the ministry was able to implement its major plans this year such as creating laboratories, training and issuing standard licenses for improving the production of saffron and extending its irrigation areas. The current amount of saffron product is 5.3 tons, but the amount would be increased to 14 tons in the next five years based on the MALI plan.

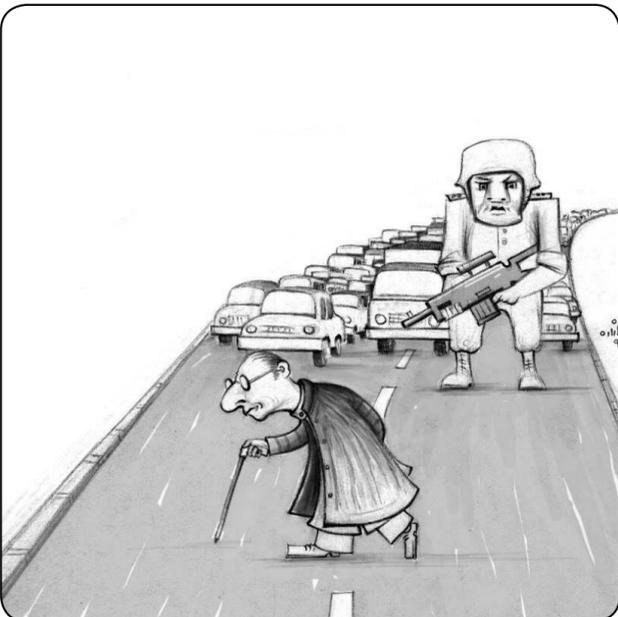
Here it is pertinent to mention that these promises should not only remain promises; they should be followed practically. Moreover, there should be efforts to discourage corruption in this sector. If corruption manages to creep in the sector, it would be really difficult to gain the desired outcomes from it.

In addition, it should also be noted that saffron can help us in some other ways as well. It can be used as an alternative crop to discourage poppy cultivation in the country that has been influencing our country in various ways. It has not only given us the evil of drug addiction that is taking the lives of many Afghan youth but has also strengthened the terrorism and terrorist networks as most of the Taliban terrorists receive their funding from poppy business.

It is important to understand that one of the best ways to control poppy is to motivate the farmers not to grow the poppy crops from the very beginning. Motivating farmers and landlords to grow saffron as an alternative crop can be one of the best solutions as it is practicable and may bring the farmers and landlords profit as well. Saffron has different advantages as compared to poppy cultivation and among them the most important one is that it does not bring harm to human life, it is legal and does not go against the teachings of Islam. It is one of those crops that have the capability to be grown in dry environment. Moreover, it does not need much irrigation as well. Simple irrigation two or three times a year would do the trick; in that sense, it is draught resistant. Poppy cultivation, in contrast, would require an extensive irrigation plan - six times a year.

Saffron has different uses and, in fact, makes life healthier. The common use of saffron can be found in adding flavor to dishes, preparing different types of medicines, hot drinks, appetizers and perfumes. Moreover, it has demand in the international market as well. According to market studies, the price of one kg of saffron is about USD 3,000 in Afghanistan and regionally it is around USD 6,000; while the international price may even reach to USD 8,000. This shows that it is very lucrative and can be used as one of the basic exports of Afghanistan. It is also important to mention that the demand for saffron is very high both in regional and international markets.

What Afghan authorities and people require in this regard is proper implementations of their policies to change the scenario. It is true that the producers of drugs have stronghold in our country, but unshakable decision both by government authorities and Afghan people can defeat them. If Afghan authorities are really interested in making saffron as the leading export of the country and controlling the menace of drugs and stopping it from financing terrorism and bringing sufferings and death to common Afghan people through addiction, it has to launch a comprehensive strategy for the growth, production and proper export of saffron.



## Characteristics of Chinese Economic Miracle

By Mohammad Zahir Akbari

After more than a quarter century of reform and opening to the outside world China's economy had become the second largest in the world. The Chinese government has a goal of quadrupling the gross domestic product (GDP) by 2020 and more than doubling the per capita GDP. A widespread market economy mechanisms and some reduction of government role has been evident since 1978. The government fosters a dual economic structure that has evolved from a socialist, centrally planned economy to a socialist market economic system, or a market economy with socialist characteristics. The rapid industrial development has been achieved by increasing technological advancements, huge foreign direct investment and productivity increases. People's communes were eliminated by 1984, after more than 25 years, and the system of township-collective-household production was introduced to the agricultural sector. Private ownership of production assets is now legal, although some non-agricultural and industrial facilities are still state-owned and centrally planned. Restraints on foreign trade were relaxed when China acceded to the World Trade Organization in 2001. Joint ventures are encouraged, especially in the coastal special economic zones and open coastal cities. A sign of the affluence that the reformed economy has brought to China can be seen in the number of its millionaires (measured in US dollars), reported as 236,000 millionaires, an increase of 12 percent over two years earlier. Chinese officials note two major trends that have an effect on China's market economy and future development: world multi-polarization and regional integration. In relation to these trends, Chinese officials foresee China and the United States' role in world affairs to be closely tied with one another and as one of high importance. Despite successes, China's leaders face a variety of challenges to the nation's future economic development. China must maintain a high growth rate, deal effectively with the rural workforce, improve the financial system, continuing to reform the state-owned enterprises, foster the productive private sector, establish a social security system, improve scientific and educational development, promote better international cooperation, and change the role of the government in the economic system. China has recently become the world's largest trading nation after the United States.

China has remained a primary recipient of the world's destination of FDI in recent years. FDI accounts for 27% of the value added production, 4.1% of national tax revenue, and 58% of foreign trade. Over 190 countries from around the world invest in China, which includes 450 of the World's Fortune 500 companies. Member Priorities Survey, completed a survey that the majority of US companies invest in China to serve the Chinese domestic market, not export back to the United States. According to expert's estimates, the total share of US, European, and Japanese multinational corporations (MNCs) in Chinese exports has been only 11% in recent years. Most exports are from Hong Kong, South Korea, and Taiwan firms. An estimated 75% of Western and Japanese MNCs are in China to sell to the domestic market. The top sources of FDI for China have remained the same over the years. Hong Kong continues to lead the

list, followed by the British Virgin Islands, Japan, South Korea, and the US. Member Priorities Survey reported that 81% of firms have operation in China are profitable. The Chinese National Development and Reform Commission (NDRC) had established a plan to better manage FDI investment in the economy. The plan addressed the relationship between national security investment and foreign investment. It instructs China to gradually relax restrictions on foreign holding of domestic enterprises. Foreign capital should be directed towards high-tech industries, modern service industries, high-end manufacturing, infrastructure development, and ecological/environmental protection. The NDRC is asking for MNC's to increase investment and setup production, assembly, and training institutions in China. The goal would be to enhance the independence of innovation for Chinese enterprises. Outbound FDI has also been increasing as China's economy continues to grow and prosper. Xinhua News Agency reported that China's outbound direct investment reached \$73.3 billion in recent years. The majority of Chinese outbound direct investment came from overseas acquisitions. Hong Kong and tax havens, such as the Cayman Islands and the British Virgin Islands received 81% of the total outbound investment.

The top sources of outbound FDI from China are coastal and border provinces. Fujian, Guangdong, Heilongjiang, Jiangsu, Shandong, Shanghai, and Zhejiang account for 62.5% of China's outbound FDI. The service sector received 50% of the Chinese FDI, 23% targeted manufacturing, 22% covered wholesale and retail, and 17% was invested in the mining industry (Foreign Investment in China). China's foreign exchange reserves were minimal in 1978, but it was enough to cover requirements with a very small import. In the 1980s, export contributed to the rise in reserves to \$17.4 billion. The economic slowdown in the early 1990s created a sharp fall in imports, while exports continued to rise. This created a merchandise trade surplus reached \$9.2 billion. The surplus was eventually eroded when imports rose faster than exports. In 1993, the trade and current accounts created a deficit, but the acceleration in inward foreign direct investment (FDI) kept foreign exchange reserves increasing.

As long as China pursues social and economic reforms, its economy will keep growing rapidly. One of important reforms is the privatization of State-owned enterprises (SOEs). Over the past 10 years, 27 million workers laid off from SOEs have found jobs in the private sector. The second is the fact that China has opened up to the outside world, welcoming all kinds of foreign investments and gradually opening its banking sector. The second is the fact that China has opened up to the outside world, welcoming all kinds of foreign investments and gradually opening its banking sector. The third factor is education and technology support. The central government has invested a huge amount of capital and human resources in developing education and technology. The final factor is urbanization which proved to be a vital driver of market demand and produced massive investments in infrastructure. China's urbanization drive aims to turn 45 percent of the rural population into urban residents.

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## Killing Non-Communicable Diseases

By Steve Davis

Over the last 25 years, thanks partly to a coordinated global effort to fight infectious diseases, including malaria, tuberculosis (TB), HIV/AIDS, and polio, childhood mortality rates have been reduced by 50%, and average life expectancy has increased by more than six years. Moreover, the share of the world's population living in extreme poverty has been halved. These are major achievements, but they have brought a new set of challenges that must urgently be addressed.

As lives have gotten longer and lifestyles have changed, non-communicable diseases (NCDs) like diabetes, cardiovascular disease, cancer, and respiratory ailments have taken hold, becoming far and away the world's leading causes of death. While about 3.2 million people died from malaria, TB, or HIV/AIDS in 2014, more than 38 million died from NCDs. And the death toll continues to rise.

Consider diabetes, one of the fastest-growing NCDs. According to a recent World Health Organization report, diabetes killed 1.5 million people in 2012, about the same number as TB. But while TB deaths have declined by half since 1990, the impact of diabetes is rising fast. In 1980, 108 million people were living with diabetes, a rate of about one person in 20; today, more than 400 million, or one in 12, have the disease.

Contrary to popular perception of NCDs as diseases of the affluent, they disproportionately affect the poor in countries at all stages of economic development, but especially low- and middle-income countries. Indeed, according to the WHO report, more than 80% of diabetes-related deaths occur outside the high-income countries. One reason for this is that type 2 diabetes, the more common variant, is associated with lifestyle factors, such as inactivity, obesity, poor diet, and smoking, that are often more common among the less affluent.

Making matters worse, in poorer communities, tools and medicines to diagnose and treat diabetes are scarce and often priced beyond people's means. A recent study authored by PATH, with support from Novo Nordisk, showed that, in some cases, just one-third of public health facilities had insulin in stock, and only one in four had testing strips available to monitor diabetes. In Ghana, 15 days' wages pays for a 30-day supply of just two of the drugs needed to prevent complications.

These failings mean that almost half of diabetes cases outside wealthy countries are undiagnosed or inadequately managed. This has significant human and economic consequences. Diabetes

requires lifelong treatment, and the earlier it is detected and care begins, the better the outcome. Untreated, diabetes causes conditions that make it impossible to work and often lead to early death. What will it take to ensure that people have the tools and medicines to diagnose, treat, and monitor diabetes?

For starters, policymakers and donors must acknowledge the disproportionate impact of diabetes on poor communities and focus greater attention and funding on prevention and treatment. Prevention programs that promote healthier diets and exercise can lower the prevalence of type 2 diabetes and reduce complications for those who have the disease. And investment in health-care systems in low- and middle-income countries can help them to adapt to the increasing burden of lifelong diseases such as diabetes.

The cost issue, too, must urgently be addressed. We must tackle deficiencies in distribution systems that limit access to drugs and diagnostics, driving up costs. This will require better forecasting, planning, and distribution; more effective negotiation of prices; and limits on markups.

Moreover, we must invest in research and development of low-cost diabetes treatments and diagnostic tools that are suited for low-resource environments. Smart collaborative projects that bring innovative thinkers from nonprofits, academia, and the private sector together to create effective, affordable, and appropriate solutions are desperately needed.

Diabetes is not unique among NCDs. Essential medicines and technologies for diagnosing and treating heart disease, cancer, and respiratory ailments are also significantly less available and proportionally more expensive for people in low- and middle-income countries than they are for those in the rich world. This disparity prompted the medical journal The Lancet to call the NCD crisis the "social justice issue of our time."

Unless we take action, the crisis will only become more serious. The WHO expects that, from 2010 to 2020, deaths from NCDs will grow by 15%, with the majority occurring in low- and middle-income countries.

Today, just 1% of global health financing goes to NCD-related programs. This must change - and fast. Otherwise, the remarkable gains made in improving global health in the last 25 years will be overwhelmed by a rising tide of people who suffer and die from chronic diseases that we know how to prevent and treat. (Courtesy Project Syndicate)

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