

Synthesis Paper Series

# Rethinking Rural Livelihoods in Afghanistan



Jo Grace and Adam Pain



**Afghanistan Research and Evaluation Unit**

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## About the Afghanistan Research and Evaluation Unit (AREU)

The Afghanistan Research and Evaluation Unit (AREU) is an independent research organisation that conducts and facilitates action-oriented research and learning that informs and influences policy and practice. AREU also actively promotes a culture of research and learning by strengthening analytical capacity in Afghanistan and by creating opportunities for analysis, thought and debate. Fundamental to AREU's vision is that its work should improve Afghan lives. AREU was established by the assistance community working in Afghanistan and has a board of directors with representation from donors, UN and multilateral agencies and non-governmental organisations (NGOs).

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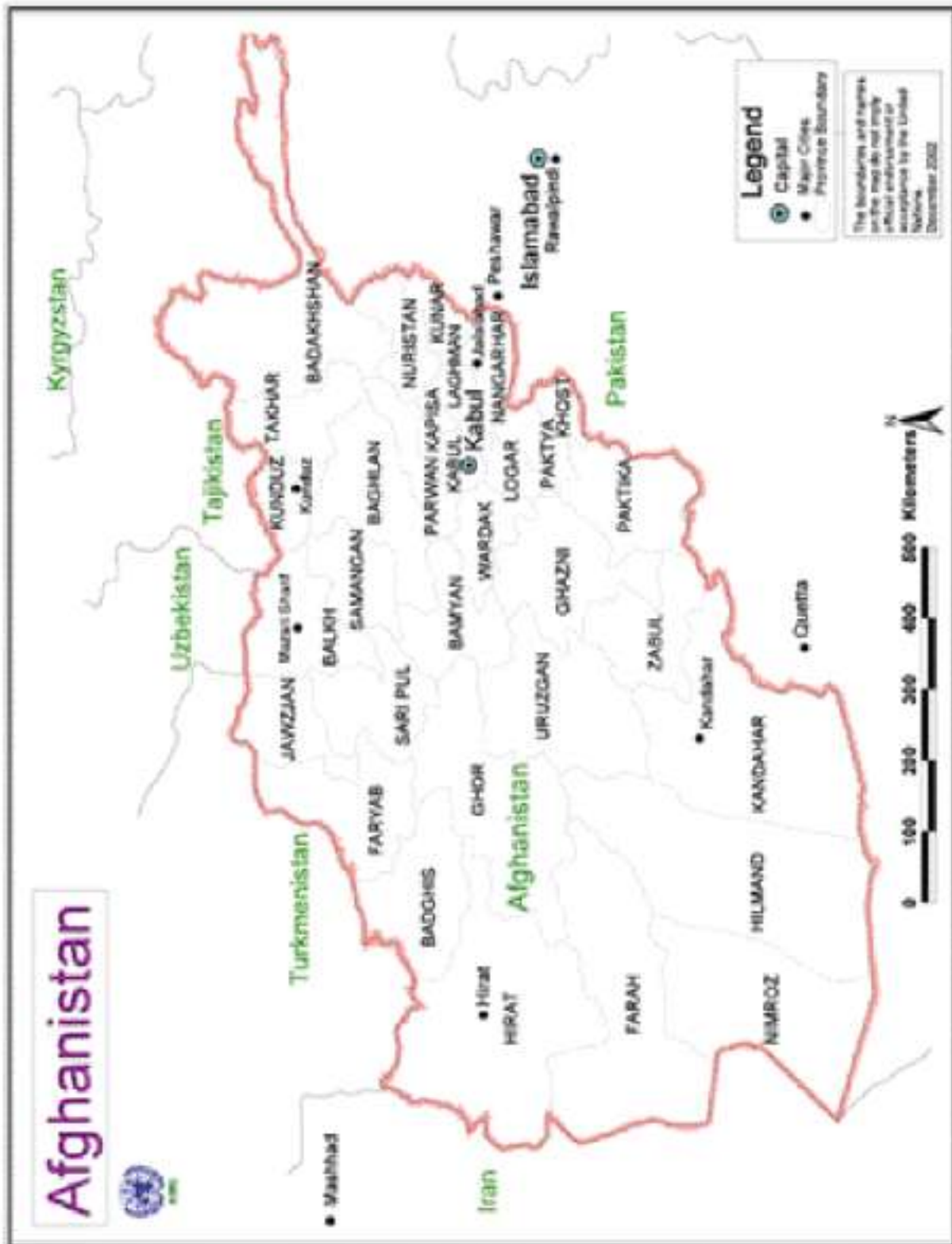
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# Maps

Map 1: Afghanistan





**Map 6: Kandahar District, Kandahar**



**Map 8: Sayyad District, Saripul**



**Map 7: Alingar District, Laghman**



## Glossary

Chronically poor	those who are persistently below the poverty line
Financial assets	stocks of cash, such as credit or savings that can be used to produce or purchase goods
<i>Gilims</i>	traditional Afghan flat weave rugs
Household	smallest unit living in a compound; usually husband, wife and dependent children
Human assets	the education and health level of individuals and populations
<i>Jerib</i>	one <i>jerib</i> equals 2000 square metres
<i>Kabuli Jerib</i>	this is the official government area of a <i>jerib</i> ; the local unit of a <i>jerib</i> may differ in terms of metric equivalence
Livelihood	a livelihood is defined here as the assets, activities and access that determine the living gained by an individual of a household
LSP CG	the LSP CG facilitates interaction between government, donors, UN agencies and NGOs on livelihoods and social protection
Manteqa	local domain, territory, area
MISFA	this is a World Bank and MRRD initiative aimed at developing microfinance services in Afghanistan
Natural assets	the natural resource base (e.g. land, water, trees) that yields products used by human populations for their survival or income
NABDP	this is a government led programme that aims to enable provincial and district level institutions to implement national level priorities and programmes, and to provide a framework for public investment
NEEP	this is a national programme that aims to generate person-days of minimum wage employment through labour-intensive public works in order to protect the livelihoods of the poor
Non-farm labour	labour that is not involved in agriculture
NRVA	National Risk and Vulnerability Assessment
NSP	this is a programme that aims to develop the abilities of communities to plan, manage, finance and monitor their own development programmes through strengthening local governance, building leadership within villages and neighbourhoods and providing assistance for rehabilitation and development to communities

NSS	this is a nationwide initiative involving UN, NGOs, donors and the Afghan government aimed at providing understanding of food security, vulnerability, nutrition and coping strategies among households in Afghanistan
Off-farm labour	labour that is associated with agriculture but is not involved in cultivation, for example, crop processing
Physical assets	assets brought into existence by economic production processes (e.g., tools, machines, irrigation canals)
<i>Seers</i>	seven kilograms
<i>Shura</i>	village council
Social assets	social networks people participate in, from which they can derive support that contributes to their livelihoods
Vulnerability	high degree of exposure to risks, shocks and stress
<i>Wuliswali</i>	district



## Executive Summary

This report presents the findings and implications of an 18-month Rural Livelihoods Monitoring Research Project. The Afghanistan Research and Evaluation Unit (AREU) and seven partner non-governmental organisations (NGOs) implemented the research project, which involved the monitoring of 390 households in 21 villages in seven districts in seven provinces. Information was gathered at the village and household level on human, financial, physical and natural assets, with the aim of building understanding of rural livelihoods in Afghanistan and improving the monitoring and evaluation capacity of partner NGOs. This summary presents the key findings, implications and recommendations from this research.

### Key findings, implications and recommendations

#### Livelihoods diversity

The majority of households, both rich and poor, have diversified income sources and many are involved in a combination of farm and non-farm activities. For wealthier households livelihood diversity is usually a strategy of accumulation, while for poorer households diversity is more of a coping mechanism.

The Government of Afghanistan (GoA), United Nations (UN) agencies, donors and NGOs should ensure that their activities support the multiple income strategies that poor households use and not encourage dependence on one sector, such as agriculture, as a livelihoods source. One way forward could be to design activities that support an entire household, rather than an individual.

#### Non-farm labour

For the poorest groups in 18 out of the 21 villages studied, non-farm labour was the most important source of income. The current importance of non-farm labour has significant

implications for the agricultural focus of much rural programming and policy in Afghanistan.

The GoA, UN agencies, donors and NGOs must recognise and support the importance of non-farm labour in rural livelihoods and look to:

- Monitor over time employment trends at the local level;
- Examine and support the skills people already possess;
- Build an understanding of the skills needed for non-farm labour for men and women;
- Explore providing skills training as part of public works programmes; and
- Ensure that national programmes directly benefit women and also develop women oriented strategies.

#### Labour migration

For over a quarter of all households labour migration, both inside and outside Afghanistan, is a critical income strategy. For wealthier households labour migration may be a strategy of accumulation. However, for the poor it is a crucial way of coping with uneven job opportunities inside the village and a way of seeking better-paid work.

The GoA, UN, donors and NGOs alike need to begin to view migration in a more positive light, rather than something negative that should be prevented, and undertake research on labour migration to provide a better understanding of why people migrate, where they migrate, how they migrate, etc.

#### Indebtedness

Many households are indebted, rich and poor alike, and indebtedness is a factor in both the creation as well as the perpetuation of poverty. For wealthier households, loans are often taken either for ceremonies such as weddings, where a large lump sum is needed, or for the purposes of production and



investment. For poorer households, the majority of loans are taken out as a coping strategy to meet basic needs such as food and health care. Policy makers and practitioners, particularly from the government and microfinance providers should:

- Explore and monitor locally existing credit mechanisms;
- Monitor the level of indebtedness;
- Consider moving part of the money currently allocated for targeted transfers to the poorest to the MicroFinance Investment and Support Facility for Afghanistan (MISFA); and
- Study the possibilities of helping people recover assets.

#### Gender

Women in rural Afghanistan are involved in many production and income generating activities that contribute to the overall household income. However, very few women own resources such as land and livestock, and their income generating options are fewer in comparison to men. It is these inequities that make some female-headed households particularly vulnerable to poverty, as there are few activities that they can do which are sufficient to support a family.

Policy makers and practitioners from the government, donors and implementing organisations need to:

- Protect, support and develop the livelihoods of women;
- Recognise and support women's role in agriculture at the policy and programme level; and
- Tackle the structural causes of gender inequity and look beyond traditional activities, such as poultry farming and embroidery.

#### Health

For the majority of households, health care is the second largest area of expenditure. Health is a livelihoods and social protection

issue in that ill health, either physical or mental, has an enormous impact on livelihoods. Ill health is a major factor in creating indebtedness and leads to a depletion of assets, as households sell their assets to pay for health treatment. Ill health also impacts on livelihoods, as the person who is ill (and possibly their carer) is unable to engage in income generating activities. Health is also tied up with livelihoods through the negative effects of certain income generating activities such as carpet weaving or embroidery and because of the health risks associated with labour migration. Despite all of the above, the Ministry of Health (MoH) is not part of the Livelihoods and Social Protection Consultative Group (LSP CG).

The government, the LSP CG and/or implementing organisations should:

- Include the MoH on the LSP CG and institutionalise linkages between health and livelihoods and social protection;
- Provide advice on livelihood related health issues in health education activities; and
- More closely control pharmaceuticals and pharmacies to prevent the sale of ineffective medicine and ensure that drugs and antibiotics are only available by prescription.

#### Social Protection and the Poorest of the Poor

Most current policy and programmes do not target the very poor, who are likely to be those who are unable to work, lack assets, and obtain grain through begging. For women, those who are married to much older men are particularly vulnerable to poverty. While the Livelihoods and Social Protection (LSP) Annex of the Security Afghanistan's Futures (SAF) document has empowerment of the most vulnerable as an aim, the programmes encompassed within the LSP are unlikely to reach the most vulnerable. The annex does recognise the need to understand and work with traditional mechanisms of support, for

those not able to help themselves, but no strategy for doing this appears to have been developed.

Policy makers and practitioners in government ministries and/or NGOs should:

- Target resources to households with young children in which adults are not able to work;
- Use community workers to raise awareness of the long-term livelihoods consequence of women marrying much older men; and
- Build greater understanding of traditional social support mechanisms.

#### Agriculture

A majority of poor households access most of their grain from the market or from other means, and non-farm labour, rather than agriculture, is their most important source of income. This raises questions over the accuracy of the frequently cited “80 percent of the population is dependent on agriculture.” The findings of this research have major ramifications for agricultural policy and programming, as they demonstrate that the needs of the rural poor are currently being missed by the focus on agriculture.

Policy makers and practitioners need to recognise the discrepancy between the realities of rural livelihoods and the policy and programme focus on agriculture and:

- Distinguish between the asset portfolios of different rural households and individuals; and
- Understand the different natural resource base which households have access to before designing agricultural programmes

#### Livelihoods monitoring

The findings of this research demonstrate the importance of monitoring livelihood trends. The majority of the NGOs who participated in this project found what they learned to be very valuable in assessing whether their programmes are responding to the realities of people’s lives, especially those of the poor. However, NGOs and their donors need to begin to look more at the outcomes (effects) of their projects and programmes, and where possible the impacts, rather than focusing on outputs. Long-term funding and investment in learning is also required to enable NGOs and others to begin to look at and tackle the causes of livelihood constraints and not only the symptoms.

# 1. Introduction



Courtesy of CARE

This report synthesises the key understandings that have emerged from the Afghanistan Research and Evaluation Unit (AREU) Rural Livelihoods Monitoring Research Project. The European Commission (EC) funded this project and AREU and seven partner non-governmental organisations (NGOs) conducted the research.<sup>1</sup> It involved the monitoring of 390 households<sup>2</sup> in 21 villages in seven districts in seven provinces (see Appendix 1 for a description of each village included in this study).

The aim of the project was to build understanding of rural livelihoods in Afghanistan as well as to improve the

monitoring and evaluation capacity of partner NGOs. Information was gathered at the village and household level on human (education, skills and health), financial (stocks of cash, such as credit or savings that can be used to produce or buy goods), physical (e.g., tools, machines, irrigation canals), natural (e.g., land, water, trees) and social (support networks) assets.

The Rural Livelihoods Monitoring Research Project was conceived prior to September 2001 and had its origins in the inter-related Principled Common Programming<sup>3</sup> and Strategic Framework for Afghanistan

<sup>1</sup> AKDN (Aga Khan Development Network), CHA (Coordination for Humanitarian Assistance) together with EOCA (Ecumenical Office of Christian Aid), CARE (CARE International), DACAAR (Danish Committee for Assistance to Afghan Refugees), GAA (German Agro Action) and MC (Mercy Corps).

<sup>2</sup> Household is defined here as the smallest unit living in a compound, usually consisting of a husband, wife and their dependent children or other dependents.

<sup>3</sup> Principled Common Programming was the idea that UN agencies, NGOs and donors would apply common and agreed goals and principles to their programmes and projects. The goals and principles were to be based on the five strategic objectives of the Strategic Framework for Afghanistan.

<sup>4</sup> The Strategic Framework for Afghanistan was a policy framework approved by the UN Secretary-General in September 1998 that defined "principles, goals and institutional arrangements for a more coherent, effective and integrated political strategy and assistance programme."

coordination mechanisms.<sup>4</sup> The motivation for the project was the observation that humanitarian action was generally not informed by a detailed understanding of rural livelihoods and that aid practice paid little attention to learning, and instead primarily emphasised delivery of aid built on assumptions about the significance of agriculture in rural livelihoods.<sup>5</sup> The project was implemented in the post-2001 context, with its emphasis on state building, reconstruction and development, and a substantially greater scale of funding and action than before. Policy and programming decisions, in this environment, were still constrained by a lack of understanding and knowledge gained through systematic research. A good example of this is the policy and programming narrative surrounding the collapse of agricultural production in Afghanistan, which was so widely articulated in the post-2001 environment, and influenced much of the immediate response. More importantly, while there has been a rebound of agricultural production, there has been no corresponding transformation of rural livelihoods or reduction in rural poverty. This lack of transformation undermines the implicit assumption linking wheat production and rural livelihoods, which has provided the foundation for many rural agricultural policies and programmes. This assumption is reflected most commonly in the statement, “80% of rural Afghans depend on agriculture.”

A fundamental objective of this report is to move beyond and challenge untested assumptions and statements to explore the complexities of rural livelihoods based on empirical evidence from the field. By presenting and analysing field-based evidence, this report aims to influence policy and programming at the government and agency level, and thereby contribute to one of the government’s key objectives - building sustainable livelihoods for rural Afghans.

The bulk of this report provides an analysis and interpretation of the panel household data collected by AREU and the seven partner NGOs. The report focuses particularly on cross-site evidence at the village and wealth group level, with some rather more selective use of household data to investigate differences within wealth groups. More detailed site-specific analysis, with immediate programming implications, rests with the individual agencies.<sup>6</sup> In addition, this report draws on three case studies on seed distribution, gender roles in agriculture and village institutions, which were undertaken as part of the Rural Livelihoods Monitoring Research Project.

In constructing a panel set of data, it was hoped that this would provide the basis for tracking changes in livelihoods over time. While this report does discuss some indicative data, it is not possible to go into more detail in relation to longitudinal trends. However, if the Rural Livelihoods Monitoring Research Project is to contribute to longer-term understanding of rural change in Afghanistan, then this panel data set provides the means by which it can be achieved. In this regard, three NGO partners involved in the project plan to continue monitoring the same households over time.

The next chapter provides an overview of the context within which this research has been undertaken and highlights the emerging policy agenda for which the evidence presented in this report has important ramifications. Chapter three then focuses on the methods employed during the Rural Livelihoods Monitoring Research Project and includes a description of the sample frame. Chapter four provides a detailed discussion of the evidence collected from this project in relation to livelihoods, and is followed by a concluding chapter that presents key policy and programming implications and recommendations arising from the evidence.

<sup>5</sup> Pain, A., and Lautze, S. *Addressing Livelihoods in Afghanistan*. Kabul: AREU. 2002.

<sup>6</sup> For example see Kerr-Wilson, A., and Pain, A. *Three Villages in Laghman: A Case Study of Rural Livelihoods*. Kabul: AREU. 2004.

## 2. Context and Policy Issues

In the last two and a half years, since the Bonn Agreement was signed on 5 December 2001, the changes in Afghanistan in terms of the policy and programming environment have been immense. During the Taliban era there was an effective policy vacuum, while throughout the country drought and displacement were widespread. In comparison, the last two years have seen a major movement of people back to Afghanistan, a lifting of the drought in many parts of the country, and a recovery in agricultural production that has led to an unprecedented harvest of wheat estimated to be 4.35 million metric tons in 2003. Poppy cultivation has also expanded from seven provinces in 1994 to 28 provinces in 2003, although the 80,000 hectares cultivated in 2003 still only represents one percent of the total arable area of Afghanistan and less than three percent of the irrigated area.<sup>7</sup>

Despite the growth of the opium economy, the realities under which most Afghans live their lives are austere, and everyday rural life is characterised by extreme risk and deep levels of poverty and deprivation. Key indicators of poverty in Afghanistan consist of low food consumption levels, including evidence of a significant number of Afghans existing below 2,100 calories per day, and a lack of access to education and health services, particularly to safe drinking water. Moreover, in terms of national level statistics - under-five mortality rates, maternal mortality and other health statistics - Afghanistan is firmly towards the bottom of international rankings. An environment of insecurity, violence and impunity compounds all of this, and it is in many ways surprising that the situation for most Afghans is not worse. The fact that it is not is due in part to the resilience of Afghan livelihoods, which remain poorly understood.



Photo courtesy of Steffian Schutte

Against this backdrop, an emerging government has been attempting to build its authority and reach, and has received ongoing support from an expanded presence of external assistance actors. It has struggled against a legacy and continuation of many of the elements of chronic conflict and political instability that have characterised Afghanistan over the last thirty years. From the post-2001 “crisis” scenario, which drove the immediate government and assistance community response, the threads of policy and strategy have gradually come together, starting with the National Development Framework (NDF) of April 2002.

The NDF lays out a vision for Afghanistan’s future, establishes a set of priorities through a series of programmes and identifies broad

<sup>7</sup> United Nations Office on Drugs and Crime. *The Opium Economy in Afghanistan*. Geneva: UNODC. 2003.

strategies for each programme area. The development strategy has three main components or pillars, as these have been termed. The first pillar focuses on humanitarian assistance and social policy and is concerned with achieving social protection and enabling conditions for people to live secure lives. The second pillar focuses on addressing physical reconstruction and the development of natural resources, and the third deals with private sector development.

Underlying the NDF is a premise that the process of state building and reconstruction will be based on private sector led growth, in which agriculture will play a critical role. The private sector, furthermore, is seen as making social inclusion possible by creating economic opportunities for Afghans. The Afghan state, in comparison, is to be “light” and “enabling,” with responsibility for creating appropriate regulatory frameworks. Community-driven development provides both the mechanism for accountability and the vehicle for social change.

This framework has recently been developed and elaborated into a substantial policy document, “Securing Afghanistan’s Future (SAF): Accomplishments and Strategic Path Forward.” The development of this document occurred at the same time as an extensive recosting exercise, with respect to budgetary projections and the level of external support Afghanistan requires in the medium-term (the SAF argues that Afghanistan needs US\$28 billion over the coming seven years). The SAF also sets out in detail the proposed linkages between planned levels of economic growth, the development of the three pillars and their programme content, and strategies of implementation.

Key arguments within the SAF relate to the importance of economic growth rates of nine percent per annum, so that economic

development and social investment can ensure the support of communities for the government. The SAF further argues that this level of growth is required to raise per capita incomes from their current estimated level of US\$200 per head to US\$500 in ten years time. According to the SAF, this magnitude of growth will assist in crowding out the opium poppy economy. While the SAF prioritises economic growth, it also recognises the need for strong social welfare policies to support the most “vulnerable” individuals.

## 2.1 Key policy areas

The evidence presented in this report has particular significance for two key policy areas within the SAF. The first policy area relates to the development of agriculture, while the second area is concerned with livelihoods and social protection. The remainder of this chapter summarises the central arguments from these two policy areas and identifies critical issues with which this report will engage. The summaries presented here are from the Natural Resources (NR) Technical Annex and the Livelihoods and Social Protection (LSP) Technical Annex of the SAF.

### 2.1.1 Agriculture/NR Technical Annex

Agriculture is addressed under the NR Technical Annex, which has the overall objective of “improved livelihoods and economic conditions of rural families and enhanced household food security.”<sup>8</sup> This is based on the assumption, stated at the very outset of the annex that “Over 80 percent of the population is dependent on agriculture.”<sup>9</sup> The targets set to measure performance in achieving the objective, which are identified in the executive summary, include reduction in ministry of agriculture staff, the establishment of river basin management agencies, the extent of irrigation

<sup>8</sup> Government of Afghanistan/International Agencies. *Securing Afghanistan’s Future: Accomplishments and Strategic Path Forward, Natural Resources Technical Annex*. Kabul: Government of Afghanistan/International Agencies. January 2004, Executive Summary, i.

<sup>9</sup> Ibid.

rehabilitation achieved, the expansion of the orchard areas, and productivity improvements for wheat and livestock.

The annex is structured around a review of the status of key sub-sectors (agriculture and livestock, land issues, etc.), progress in the nine sub-programmes of the sub-sectors, and current organisational arrangements. The annex then goes on to identify its vision, goals and objectives, which have already been mentioned above. Key strategic areas in relation to sectoral activities are identified, including inter-alia “improving the economic well-being of rural households and communities through broad-based and equitable agricultural reconstruction.”<sup>10</sup> The annex then identifies areas of policy and institutional reform before going on to describe in detail by sub-sector the key issues, strategic objectives, needs assessment and policy agenda. The annex concludes with a detailed development programme and budget.

This is not the place for a detailed analysis of the arguments within the technical annex. However, given the evident origins of this annex in the Asian Development Bank’s (ADB) Natural Resources and Agricultural Needs Assessment, prepared in 2002, it is pertinent to refer to the arguments of a critique of this assessment. Although the overall goal for agriculture in the ADB’s needs assessment is to improve rural livelihoods, it is simply assumed that livelihoods are largely constructed out of agriculture. Moreover, detailed sub-sectoral objectives and outputs are not connected with the livelihood goal, but are instead focused entirely on sub-sectoral concerns.<sup>11</sup>

Likewise, with the NR Annex it remains unclear what the statement “Over 80% of the population is dependent on the agricultural and natural resource management sector”<sup>12</sup> actually means, or where this claim comes

from. While no doubt a useful (but problematic) simplification for policy purposes, the statement is at best ambiguous. Does the statement refer to 80 percent of all the population of Afghanistan or just the rural population? What does dependent mean? Is it a direct or indirect dependence? Is it a total or partial dependence? Is it uniform or differentiated by location, class or gender?

There are, moreover, some key issues that arise with respect to the actual role of agriculture in the livelihoods of rural people: How many of the rural population are directly and fully dependent on agricultural production for their livelihoods and where are these various populations? How many are partially dependent on production and derive income sources from elsewhere and who are they? How many are indirectly engaged in agriculture, primarily through labour in agriculture and agriculturally related activities? How many rural households actually derive the majority of their income from non-agricultural sources? These are critical issues that will determine how the direct and indirect benefits of agricultural growth are actually distributed. These points will be returned to in the concluding chapter of this report, as the implications of the data from this project are considered in relation to policy and programming options.

### 2.1.2 LSP Technical Annex

The LSP Public Investment Programme (LSP/PIP), which is part of the Human and Social Capital Pillar of the NDF, includes the most comprehensive treatment of the linkages between poverty reduction and growth. The LSP/PIP is designed to promote a strategic shift beyond humanitarian approaches to relief and to encourage the provision of long-term support to the poor, which should better enable them to protect their assets and rebuild their livelihoods. Underlying the

<sup>10</sup> Ibid. Paragraph 60.

<sup>11</sup> Pain and Lautze, op cit.

<sup>12</sup> Government of Afghanistan/International Agencies, *Securing Afghanistan’s Future: Accomplishments and Strategic Path Forward, Natural Resources Technical Annex*, op cit. Paragraph 2.

LSP/PIP is the building of poverty monitoring and assessment systems to enhance understanding of livelihood systems, existing informal safety-net mechanisms and vulnerability to various risks.

The LSP Technical Annex starts with an analysis of current knowledge of poverty, vulnerability and risk in Afghanistan. It draws attention to the diversity of livelihood strategies at inter- and intra-household levels, and raises questions about assumptions linking agricultural growth and poverty reduction. It in fact draws from some of the early outputs from this project.<sup>13</sup> It details existing programmes operating under the overall pillar goal of “putting in place an effective and affordable social policy which enhances human security and supports sustainable rural and urban livelihoods.”<sup>14</sup> These programmes include the National Emergency Employment Programme (NEEP), the National Solidarity Programme (NSP), the National Risk and Vulnerability Assessment (NRVA), the National Area Based Development Programme (NABDP) and the Micro-Finance Support Facility in Afghanistan (MISFA).

In section two of the annex, constraints and cross-cutting issues are identified. These include institutional constraints, a recognition “that formal and market based options are

limited for risk management in the immediate future,”<sup>15</sup> and a need for information, monitoring and evaluation in order to build “understanding of informal and community-based solidarity systems and social networks for risk management.”<sup>16</sup> Section three sets out the goals and key priorities of LSP, and focuses on the link between social protection and the promotion of sustainable livelihoods.<sup>17</sup> This includes recognition of the different strategies (prevention, mitigation and coping) needed to handle diverse risks and the range of approaches that exist to manage risk (informal, market-based and public).<sup>18</sup> A set of key priorities and programme areas are identified, each linked to targets with appropriate indicators to key goals, including poverty reduction and promotion of gender equality. The final two sections of the annex address costing and delivery targets and implementation strategies.

The evidence presented in this report raises a number of critical issues for the two policy areas summarised above, particularly concerning assumptions linking livelihoods and agriculture. Other key issues include assumptions about gender roles, the livelihood strategies of the poor, risk and vulnerability.

These issues will be discussed in more detail in the concluding chapter.

<sup>13</sup> Kerr-Wilson and Pain, op cit.

<sup>14</sup> Government of Afghanistan/International Agencies. *Securing Afghanistan's Future: Accomplishments and Strategic Path Forward, Livelihoods and Social Protection Technical Annex*. Kabul: Government of Afghanistan/International Agencies. January 2004, 19.

<sup>15</sup> Ibid. 28.

<sup>16</sup> Ibid. 30.

<sup>17</sup> Ibid. 34.

<sup>18</sup> Ibid. 35.



### 3. Methods

This chapter outlines the five stages of the Rural Livelihoods Monitoring Research Project, from design to analysis, as well as highlights the limitations of the methods used.

#### 3.1 Project stages

##### Stage 1: Design interview formats

Two interview formats were designed to gather information on human, financial, physical, natural and social assets in order to obtain a better understanding of how different people in rural areas are building their livelihoods. The first format was a village description that aimed to gather data on village location, characteristics, distances to services, land holdings, activities, wealth groupings, cooperation and conflicts.

The second format was an extensive questionnaire, which consisted of 12 tables looking at household composition, household member skills, education, activities, household history, household assets, land assets, livestock, debts, grain budget, income and expenditure (see Appendix 3).

In the first round of interviews, questions were asked about the previous four seasons. The questionnaire was designed to be asked to the same households over time at an intended interval of four months. During subsequent rounds of interviews, questions referred to the previous four months. Five NGOs were able to complete two rounds of interviews and one NGO was able to complete three rounds of interviews in two locations. The first set of data was collected between November 2002 and July 2003, as each NGO started the interviews at different times. The second and third rounds of interviews were carried out between February 2003 and December 2003.

A cohort tracking system was used, which was designed to allow an understanding of change over time, if the research is continued. This tracking method was employed to allow the research team to check the information

collected for consistency. It was also hoped that it would enable interviewers to build up some trust with the interviewees.

##### Stage 2: Partnership formation and staff selection

This study involved collaboration with seven partner NGOs who conducted the research in the seven provinces (DACAAR conducted the research in both Laghman and Herat Provinces and CHA worked together with EOCA) and analysed their own findings. Partnerships were formed based on the interest of individual NGOs and depending on where they worked, as an attempt was made to look at sites in different parts of the country (see Table 1).

Each NGO was responsible for selecting staff from their own organisation to conduct the research. Some partner NGOs had to hire staff for the project, as they lacked available staff. Each research team consisted of at least one male and one female who were trained either in Kabul or in the field on the purpose of the project, the use of the interview formats, and the ethics of research. At least one person in each NGO was also assigned the task of data entry and data cleaning and provided training by AREU.

##### Stage 3: Site and household selection

Each NGO decided which areas would be the most valuable for them to look at within districts where they work. Within these areas village selection was then undertaken based on the following criteria:

- Whether the NGO had been working in the village and had some relationship with the villagers;
- Whether the NGO wished to continue working in those areas; and
- Whether there were differences between the villages such as location along a valley, proximity to services or livelihood source.

The main characteristics of the villages selected are summarised in Table 1.

Table 1: Site characteristics

Site	District	Geography and Economy	Village Location	Other Characteristics
AKDN: Badakhshan				
V1	Jurm	Valley and mountain with mixed economy	Valley at 1,907 m	Spread of opium economy
V2			Valley at 1,659 m	Spread of opium economy
V2			Mt at 2,334 m	Largely rain-fed land
CHA/EOCA: Faryab				
V1	Daulatabad	River plain with irrigation system; extensive rain-fed lands; and mixed economy	Downstream - 200 m	Livestock
V2			Midstream - 200 m	Carpet weaving
V3			Upstream - 200 m	Carpet weaving
CARE: Ghazni				
V1	Jaghathu	Narrow valley with <i>karez</i> irrigation drought affected	Upper Valley	Strong remittance income
V2			Mid Valley	Little remittance income
V3			Valley Mouth	Agriculture
DACAAR: Herat				
V1	Pashtun Zarghun	River plain on the Hari Rood River; water from river and spring; agrarian; 45 km to Herat		Farming, shop-keeping, livestock, migration
V2			Edge of irrigation	Taxi business, farming, livestock, migration
V3			Upstream - 200 m	Farming, trade, migration, livestock
MC: Kandahar				
V1	Kandahar	Plain; peri-urban; drought affected		Major inequalities
V2				Land ownership
V3			Upstream - 200 m	Land ownership
DACAAR: Laghman				
V1	Alingar	Valley and mountain; borderland	Valley at 1,000 m	Poppy, migration, casual labour, farming
V2			Mt slope at 1,200 m	Land ownership
V3			Mt at 1,450 m	Land ownership
GAA: Saripul				
V1	Sayyad	Narrow valley; seasonal flooding	Upstream - 1,200 m	Limited irrigation; livestock
V2			Valley-mouth - 500 m	Productive rain-fed land
V3			Mid-valley - 850 m	Mixed economy

At the start of the first round of interviews, the interviewers met village *shuras* (councils) in each village to explain the project and its aims as well as to explain that there would be no direct benefit from participating in the research. Meetings were then arranged to collect information for the village descriptions. The village description questions were asked to male *shuras* and, where possible, some of the questions were also asked to groups of women.

A wealth ranking exercise was also conducted in each village. For the purposes of comparison across areas, the research teams explained the meaning of household, which is defined in this project as the smallest unit living inside a compound and usually consisted of husband, wife and dependent children. With this definition in mind, members of the community - usually male *shura* members - were first asked to explain the characteristics of a poor and wealthy household in their village. They were then asked how many different wealth groups there were in their village and subsequently to list the names of households falling into each category. Households for individual interviews were then randomly selected from the lists of households generated from the wealth ranking exercise. The number of households in each grouping determined the number of households selected from each wealth group. The more households there were in the poorest wealth group, the greater the number of households from this group was sampled. Between 15 and 20 households were interviewed in each village, resulting in a total sample of 390 households (see Table 2).

#### Stage 4: Implementation

Individual NGOs began the interviews at different times depending on when they joined the project, and also due to delays resulting from insecurity or difficulties recruiting appropriate staff.

Male and female team members went to the same household at the same time. The male interviewer interviewed the household head if the household was male-headed and the oldest male available if it was female-headed. The female interviewer interviewed the household head if the household was female-headed and a senior woman if the household was male-headed.

#### Special studies

In addition to the above interviews, three special studies were conducted as part of the Rural Livelihoods Monitoring Research Project. The aim of these studies was to deepen understanding of aspects of the livelihoods data not adequately captured in the formats described above. These three interlinked studies were conducted with three NGOs: CHA/EOCA in Daulatabad, Faryab Province and GAA in Saripul Province. CHA/EOCA also took part in the design of the studies. These studies looked at three themes in a total of five villages: (i) the impact of wheat seed interventions, (ii) gender roles in agriculture, and (iii) water management as a village institution.<sup>19</sup>

#### Stage 5: Data entry and data analysis

After each round of interviews, or during the interview rounds, data were entered into databases managed by individual NGOs. AREU gave each partner NGO a replica of a database that was designed by AREU and the Afghanistan Information Management Service (AIMS). The database was built by AIMS. Partner NGOs then cleaned the data and sent it to AREU for generating reports. Unfortunately, creating reporting structures in Access proved problematic and programming problems in the reports led to inaccurate data outputs. As a consequence of these difficulties, partner NGOs had to run many of their own queries to produce data for analysis, which was very time consuming.

<sup>19</sup> To obtain copies of the special studies reports see AREU's website: [www.areu.org.af](http://www.areu.org.af).

Table : Sample frame

Province/Village	WGI	WGII	WGIII	WGIV	Total No. of households
<b>Badakhshan</b>					
V1	2	6	12		20
V2	3	4	13		20
V3	0	4	8	8	20
					60
<b>Faryab</b>					
V1	5	7	8		20
V2	5	5	10		20
V3	5	8	7		20
					60
<b>Ghazni</b>					
V1	2	11	7		20
V2	1	2	6	11	20
V3	7	5	8		20
					60
<b>Herat</b>					
V1	2	3	8	2	15
V2	3	3	7	2	15
V3	2	2	9	2	15
					45
<b>Kandahar</b>					
V1	2	7	11		20
V2	1	5	14		20
V3	2	18			20
					60
<b>Laghman</b>					
V1	4	5	6		15
V2	2	3	10		15
V3	1	13	1		15
					45
<b>Saripul</b>					
V1	3	7	10		20
V2	3	5	5	6	19
V3	3	10	8		21
					60
<b>Total</b>	<b>58</b>	<b>133</b>	<b>168</b>	<b>31</b>	<b>390</b>
<b>Percent</b>	<b>15%</b>	<b>34%</b>	<b>43%</b>	<b>8%</b>	

Key: WGI, II, III, IV respectively wealth groups I, II, III and IV.

After all NGOs had completed their first round of interviews, the first of two analysis workshops was held. In the first workshop the basic stages of analysis were outlined and participants worked through a number of key questions designed to help them interrogate data and look for differences and similarities between wealth groups, villages and sites. Other activities included examining

what the data meant and what implications it had for programming. The first workshop also involved discussions on the types of data that may need follow-up research.

Following the field interviews, each NGO was to ask some of the “why” questions not captured in the questionnaire, for example, why people are doing particular activities at certain times of the year, why they are not

involved in agriculture, why they migrate for labour. However, due to resource constraints, only one NGO was able to ask the “why” questions. For this NGO the follow up proved very fruitful in terms of gaining a better understanding of the livelihoods of the people in the villages surveyed. Some of the other partner NGOs, which were not able to ask the “why” questions, did follow up with their field staff to discuss the meaning of the data collected. This enabled them to use the often-untapped knowledge of field staff to fill in some of the gaps in the data collected in the interviews.

The second workshop was held to review the analysis conducted by the NGOs and focused on how to identify differences between each round of data. A checklist of key questions was again designed to facilitate this analysis.

The comparative analysis of the across site data for this report was carried out by AREU and used data from queries to examine differences and similarities across sites, as well as between villages, wealth groups and within wealth groups.

## 3.2 Limitations

### Using wealth groups

In the vast majority of cases wealthier households were said to be those with larger land holdings and occasionally businesses, while the poorest households were identified as those who rely on daily labour and sometimes begging. The categorisation was mostly the same in all villages, but there were some differences. For example, receiving remittance income is seen to denote wealth in the villages in Ghazni Province. This is in a context where the three villages have very small land holdings and lack water resources, which has resulted in very little, if any, production for most households.

One other difference was that although larger land holdings were seen as synonymous with being wealthy, the size of land holdings varied enormously from location to location. In

villages in Faryab Province, for example, 15 to 70 *jeribs* of irrigated land and 50 to 100 *jeribs* of rain-fed land denote wealth, compared to villages in Herat Province where 10-20 *jeribs* of land in total denotes wealth. Differences in the quality of land, etc., must also be taken into account. Thus comparing poor wealth groups across sites is not comparing like with like, although these groups do often share similar characteristics in terms of asset ownership and income sources.

Wealth ranking exercises can cause conflict in villages when people become angry at not being placed in the poorest categories, due to expectations of assistance, despite repeated explanations that no direct benefits of participation are available. Despite the problems already noted, for the purposes of this research wealth groupings proved very useful and mostly consistent in terms of identifying characteristics of richer and poorer households in diverse areas.

### Unit of analysis

The “household” was the unit of analysis for this study and was defined as the smallest unit living inside a compound. The household unit usually comprised a husband, wife and dependent children. For the village description in each village, groups of people, usually male *shura* members, were asked what the terms “family” and “household” locally mean. In some areas the term “family” was the smallest unit, while in others it referred to the extended family. The researchers endeavoured to ensure that the locally correct term for the smallest unit was used in all villages. It was not possible to interview all members of a compound, as this often totalled around 40 people. As a result, this report does not capture relationships or the pooling of assets, labour and/or income between units within individual compounds.

### Capturing change over time

A longer period of time is needed to capture change over time for many aspects of the

data presented in this report. Unfortunately, change over time in household grain budgets, land assets, income and expenditure cannot be explored at this stage. For grain budgets, the seasonal variation in household grain inflows, due to higher grain inflows at harvest time, for example, means that to compare a year's data with another four months can skew the results, if the second round of data is collected either post or pre-harvest. Also, each NGO did not begin at the same time and therefore conducted interviews at different seasons to one another. To be able to compare these changes over time another full year's worth of data is needed. The same limitations affect the data on income and expenditure. For the land data, changes were not adequately captured, although it is unlikely that there were many major changes during the research period.

#### Using categories

Many of the questions asked on the questionnaire were closed to enable easier coding of answers for data entry. Two problems were encountered with this. The first was that many answers fell into the category of "other" and to produce these data from the database was very time consuming. In terms of the categories themselves, several were too broad, which means it was not possible to identify what makes up these categories. For example, it is unclear what the category non-farm labour entailed in all cases.

#### Size of questionnaire

The household questionnaire was very extensive and took a lot of time to complete. Some households reportedly became bored, which may have affected the answers given. Aside from the problem of the length of the interviews from the perspective of the household, it was also very time consuming for the NGOs. The NGO partners intending to continue this type of monitoring have therefore decided to do so in a modified form. Starting with an extensive questionnaire has, however, allowed partner NGOs to see

which questions work best and are the most useful.

#### Content of questionnaire

Collecting information on particular assets such as savings and jewellery proved very difficult as people, understandably, do not wish to divulge this kind of information. This means that aspects of the data relating to assets cannot be relied upon and have therefore not been included in the analysis for this report.

Furthermore, the questionnaire formats were not able to capture the relational aspects of household lives both within households and between households (indeed it is one of the weaknesses of the sustainable livelihoods framework). To understand the pathways or trajectories of change for households in one wealth group requires an understanding of changes in households of other socio-economic groups. Thus the livelihoods of poor people are related to the livelihoods of others, as poor households are often dependent on those who are better off. Poverty does not occur outside a context and has to be understood in structural terms.

Equally, this project does not link livelihoods at the micro household level with the meso village and district level nor to wider dynamics that permeate Afghanistan and shape the conditions under which most people live. While the study refers to government policies and programmes, the reality is that the central government and reconstruction effort are not the key drivers of change affecting people's lives. The experience of most people has far more to do with the impact of uncertainty, risk and poverty. Conflict, commodity and labour markets, power structures, informal institutions and non-state spaces are what exist and are the key sources of risk in daily life. These factors are also critical for explaining the resilience of Afghan livelihoods. It is, therefore, important to remember that projects and villages are not development islands.

### Database

The database used for storing the data collected by partner NGOs was designed by AREU and built by AIMS using the Access programme. Unfortunately, many problems were encountered producing reports from the database and were incorrect. As a result, partner NGOs had to manually run database queries on the data, which was very time consuming.

### Sample size

Due to the small sample size (390 households), the extent to which the findings are statistically valid for the rest of the country is limited. However, where there are similarities across sites, it is still possible to infer that similar trends may be occurring in other parts of the country. It is also possible in some cases to compare findings obtained

in this study to those in other studies conducted in other parts of the country.

### NGO resources

This study was resource heavy in terms of staff time needed and some NGOs were more able to free up resources than others. As has already been mentioned, this meant for most of the partners that follow-up research was not possible.

### Security

Insecurity presented huge challenges at various stages of the research. Interviews had to be delayed in three locations and one research site had to be moved to another area. However, due to the flexibility and commitment of those NGO staff members involved, all NGOs managed to complete at least two rounds of interviews.

## 4. Key Rural Livelihoods Findings



Courtesy of DACAR

This chapter presents findings on several interlinked aspects of rural livelihoods from the villages studied. It first examines where different households obtain their grain, before looking at how different households access land. Evidence relating to household livestock holdings, income sources, expenditure and debts are then discussed. Change over time is looked at in the sections on household debt and livestock holdings.

### 4.1 Household grain budgets<sup>20</sup>

Given the persistence of the argument “80 percent of the population is dependent on agriculture,” understanding grain budgets is critical. The starting questions here are straightforward - Where do households obtain grain? What proportion of grain comes from

production? What proportion comes from the market or other exchange mechanisms (gifts, labour paid in grain, gleaning, begging, etc.)?

The analysis presented here only looks at wheat budgets, thus excluding other grains, in particular rice and maize, although of the research sites rice and maize production only occurs in Laghman and Herat Provinces. The information collected on four seasons in the first round of interviews has been aggregated and the data discussed here therefore represent a full year. These data are presented in Table 3, which categorises sites, villages and wealth groups in terms of the relative proportions of wheat coming from farm production (the vertical or Y axis) and the proportion coming from the market (the horizontal or X axis).

<sup>20</sup> Grain budgets refer to flow of major grains (used by the household) in and out of the household.



Table 3: Access to wheat from farm production and the market by site, village and wealth group

Percent of grain supply from farm production				
100%	1. (N = 43) BD-V1-WGI SA-V2-WGI-II FA-V1-WGI SA-V3-WGI FA-V3-WGI-II KD-V3-WGI HR-V1-WGI HR-V2-WGI-II HR-V3-WGI			
75%	2. (N = 8) FA-V2-WGII SA-V1-WGI	3. (N = 46) BD-V1-WGII LG-V1-WGI BD-V2-WGI-II LG-V3-WGI BD-V3-WGI-II KD-V1-WGI FA-V1-WGII FA-V2-WGI HR-V1-WGIII-IV		
50%	4.	5. (N = 36) BD-V3-WGIII FA-V1-WGIII HR-V2-WGIII-IV HR-V3-WGIII-IV	6. (N = 36) BD-V3-WGIV SA-V1-WGII HR-V1-WGII SA-V3-WGII HR-V3-WGII LG-V1-WGIII	
25%	7. (N = 23) KD-V3-WGII LG-V1-WGII	8. (N = 37) BD-V2-WGIII KD-V1-WGIII KD-V2-WGIII	9. (N = 37) FA-V2-WGIII FA-V3-WGIII KD-V2-WGII LG-V2-WGI SA-V2-WGIII-IV	10. (N = 123) BD-V1-WGIII GH-V1-WGI-III GH-V2-WGI-IV SA-V1-WGIII GH-V3-WGI-III SA-V3-WGIII LG-V2-WGII-III KD-V1-WGII LG-V3-WGII-III KD-V2-WGI
0	25%	50%	75%	100%

Key: BD = Badakhshan; FA = Faryab; GH = Ghazni; HR = Herat; KD = Kandahar; LG = Laghman; SA = Saripul; V1, V2, V3 respectively Village 1, Village 2 and Village 3; WGI, II, III, IV respectively Wealth Groups I, II, III and IV; N=Number of Households.

From Table 3 a number of summary observations can be made. First, there are households that obtain a majority of their wheat from farm production. Of the 12 wealth groups in this category (inner box 1 of Table 3), nine are from wealth group one (WGI) and three are from wealth group two (WGII). Together they comprise 11 percent of sample households. Key sites within this box are Herat, Faryab, and Saripul with more than one wealth group each, and Badakhshan and Kandahar with only one wealth group.

At the opposite end of the spectrum are households that obtain almost all of their grain supply from the market. There are 19 wealth groups in total in this category, mostly from Laghman, Ghazni, Kandahar and Saripul. Nine of these are from wealth group III (WGIII) or below, six are from WGII, and four from WGI, and together these make up 31.6 percent of sample households. It must be noted that three of the WGI groups are from Ghazni, where in two of the three villages WGI was described as poor, with WGII and WGIII being poorer and poorest. In the third village, WGI

was described as “middle income” rather than wealthy. Thus no households were considered wealthy in the three villages in Ghazni. Households from all wealth groups in two of the villages in Ghazni also received a small amount of their grain budget from food for work programmes, both in the first and second round of interviews.

Groups occupying intermediate positions are obtaining grain supplies from both production and the market, with the richer wealth groups tending to obtain a majority (50-75 percent) from farm production (14 percent of sample households) and poorer wealth groups obtaining 25-50 percent of their grain from farm production (18.5 percent of sample households).

There are also groups that obtain grain from production, market and non-market exchange and for whom food for work may be an important contribution, although this also includes credit (and debt), rights of gleaning, gifts and begging. These comprise 24.9 percent of sample households.

Only 20 households are begging for part of their household grain budget. These households are in Badakhshan, Herat and Kandahar. All of these households are from the poorest wealth groups and the amounts of grain they receive from begging ranges from 10 to 300 *seers*. Widows head six of the 20 households and it is for these households that begging is the major means of accessing grain. What is striking about six of the remaining households is that they contain men of around 70 years of age, married to women at least 15 years younger. In some cases, the reason for this age gap is partly explained by a first wife dying and the husband remarrying a younger woman. In several cases the men are too weak to work and begging provides the extra grain needed to supplement the labour of the wife and children (see Box 1). It is difficult to see how the future will be brighter for some of these households. Given such an age gap between husband and wife, with all things being equal, these women will be widowed before too long, and as will be discussed later, women in Afghanistan have fewer opportunities for generating sufficient income than men. Initial findings from the NRVA data indicate that female-headed households have poverty rates of more than 70 percent compared to those of male-headed households, which are closer to the overall rural poverty rate of 53 percent.<sup>21</sup>

The remaining households who beg for grain have very few assets. Five households in Badakhshan sold or mortgaged land during the drought; one household also sold their house due to “family problems” and another household sold trees. A few households receive very small amounts of grain from their own production, but it appears that this is not enough to last even one season. Several of the households receive grain from a variety of means: buying, borrowing, being paid in-kind, and gathering from people’s fields as well as begging.

That these households are able to obtain all or part of their grain from begging does show that some form of social support mechanisms are in place. The majority of households in the higher wealth groups, who receive some of their grain from their own production, did also report giving some of it away. What this appears to show is that the more grain a household has the more it will give away, thus possibly supporting the chronically poor, who are little able to help themselves. There is, however, a need for further research into the giving of alms and the practice of begging, as not enough is known about these issues.

As well as wealth group differences in grain budgets there are clearly site differences (and differences within sites), reflecting water and land resources. Table 4 summarises by site the percent of grain obtained from production by percent of sample households.

#### Box 1: Begging for grain

One woman in Herat said she had been married at the age of 7 to a man of 50. She said she has “faced a lot of tragedy” in her life. She is now around 37 and her husband around 90. He had become ill many years before and was unable to work. In the past she had woven carpets and embroidered but her eyesight had become so weak that she could no longer engage in these activities. This household owns no land, but owns one cow and four chickens. With three of her four children (three girls and one boy) under 12 the household income now comes from what her husband can beg, together with her payment for cleaning a neighbour’s house and baking bread for others.

<sup>21</sup> MRRD and World Bank. *Rural Poverty in Afghanistan: Initial Insights from NRVA*. Kabul: MRDD. 2004

Table 4: Percent of grain obtained from farm production by site

% wheat from farm production	BD	FA	GH	HR	KH	LG	SA	All Sites
>75%	3.4	30.0	0	22.2	3.3	0	18.3	11.1
50 - 75%	28.8	28.3	0	22.2	3.3	11.1	5.0	13.9
25 - 49%	27.1	13.3	0	55.6	0	17.6	28.3	18.5
< 25%	40.7	28.3	100	0	93.3	75.6	48.3	56.6
Total	60	60	60	45	60	45	60	390

Three groups of sites can be identified:

1. In Faryab and Herat, 45 percent or more of sample households obtain more than 50 percent of their grain from farm production.
2. In Ghazni, Kandahar and Laghman the majority of households (more than 75 percent) obtain less than 25 percent of their grain from farm production.
3. There is an intermediate group in Badakhshan and Saripul where there is a more even distribution of sample households across the groupings.

The question that arises from this grain budget evidence is to what extent the site differences reflect rainfall conditions or a combination of drought and land ownership patterns.

## 4.2 Land ownership patterns

Before commenting on the land ownership findings, a key point needs to be made in respect to the description of land as an asset. The livelihood framework in general tends to treat all assets in the language of economics and to address them as if they are the same as financial assets. This aspect of the livelihood framework has been criticised,

particularly regarding land, as it “wrenches land out if its relational aspects.”<sup>22</sup> As has already been mentioned in the methods chapter, the livelihoods of poor people are related to and can depend on those who are better off. Thus understanding access to land (and other assets), and the way in which people are entitled to or excluded from accessing land, is intrinsic to understanding land relations.

Ownership and access to land is a complicated issue that requires careful analysis, as Liz Alden Wily has noted.<sup>23</sup> The field evidence from the research sites reveals at least seven major categories of access to and use of land, as listed below:

- Households can own and cultivate their land;
- Households can own land, cultivate and sharecrop-in additional land;
- Households can own land and sharecrop-out land, either a portion or all;
- Households with no land may sharecrop-in land for cultivation;
- Households without land may work as farm labour during part of the year in exchange for a small part of the crop or wages;<sup>24</sup>

<sup>22</sup> Whitehead, A. “Tracking Livelihood Change: Theoretical, Methodological and Empirical Perspective from North-East Ghana.” *Journal of Southern African Studies*. 2002. 28 (3).

<sup>23</sup> Liz Alden Wily refers to one major survey of livestock, feed and rangelands which did not even touch on the contestation over pasture rights; another study on crop and food supply assessment appeared to assume that farmers own both the land and the product. See Alden Wily, L. *Land Rights in Crisis: Restoring Tenure Security in Afghanistan*. Kabul: AREU. 2003.

<sup>24</sup> In three villages in Daulatabad, Faryab, for example, both men and older women reported working on the melon crop for three months in exchange for 1/7 of the crop. See Grace, J. *Gender Roles in Agriculture: Case Studies from Five Villages in Northern Afghanistan*. Kabul: AREU. 2004.

- Households without land may not cultivate any land; and
- Households with or without land, but who own livestock, can access pasture land for grazing animals in areas where there is accessible pasture land.

There are a number of further points regarding land ownership that need to be made. First, sharecropping-in is not restricted to the lower wealth groups, but occurs across all wealth groups. Second, sharecropping-out is not restricted to just the wealthier groups, but also occurs across all wealth groups. This is not to say that the motivations for sharecropping-in or out are the same across wealth groups or even within them. Indeed, evidence from Laghman indicates a tendency for larger landholders to sharecrop-out for reasons of both status and to pursue alternatives that are more profitable (essentially pull factors). Poorer households,

however, sharecrop-out because of push factors (limited labour or other resource constraints, such as lack of draught power for cultivation). One man interviewed in Saripul Province, for example, was sharecropping-out land due to a lack of draught power and then sharecropping-in land from a landowner with draught power.

For female-headed households who own land, but lack household labour resources, the need to sharecrop-out may be due to not wanting to cultivate the land themselves, not having the experience to do so, not having time to cultivate the land, or it not being culturally acceptable.

Table 5 below summarises the various arrangements that can take place with respect to access to land for two of the sites with the most land-based economies.

Table 5: Patterns of cultivation (percentage of households by wealth group)

Provinces/ Villages	Owning/ Cultivating Land	Owning/ Sharecropping -in land	Owning/ Sharecropping -out land	Not Owning/ Sharecropping -in land	Not Owning/ or Cultivating
<b>Badakhshan</b>					
V1-WG1	100	0	50	0	0
V1-WGII	100	33	33	0	0
V1-WGIII	91	9	18	0	9
V2-WGI	100	33	66	0	0
V2-WGII	100	100	0	0	0
V2-WGIII	25	25	0	58	17
V3-WGI	100	100	0	0	0
V3-WGII	100	50	12.5	0	0
V3-WGIII	75	25	12.5	25	0
<b>Faryab</b>					
V1-WG1	100	0	60	0	0
V1-WGII	100	0	100	0	0
V1-WGIII	82	18	45	0	18
V2-WGI	100	0	10	0	0
V2-WGII	100	0	80	0	0
V2-WGIII	29	29	0	14	57
V3-WGI	100	20	80	0	0
V3-WGII	100	50	38	0	0
V3-WGIII	14	14	0	14	72

Motivations for sharecropping thus vary and are driven by context and circumstances. In Badakhshan, sharecropping arrangements have to be understood in terms of the opium poppy economy. Several factors create incentives both for larger landowners to sharecrop-out and for smaller landowners and the landless to sharecrop-in. These factors include a high requirement for labour in poppy cultivation (350 person days per hectare compared to 41 for wheat),<sup>25</sup> the role of opium poppy in providing credit, and the potential for profit. In contrast, in Saripul and Faryab Provinces, where a wheat economy dominates the irrigated and rain-fed lands, the current pull of non-farm opportunities, due to relatively well paid urban construction labour, has potentially reduced the available pool of rural labour that are motivated to sharecrop-in.<sup>26</sup>

The terms under which sharecropping arrangements are made cannot be assumed. The source of inputs (labour, land, draught power and other inputs) influences the sharecropping arrangements, as do other factors. These include the availability and price of farm labour; the crop to be cultivated, whether the land is rain-fed or irrigated, and the relations between the sharecropper and the landlord. The economic status of the sharecropper may also affect the agreements. The poorest sharecroppers, in Saripul and Faryab, receive some of their share of the crop in advance, as they cannot wait until after harvest. They then receive a smaller share after the harvest. Similarly, some live in the landlord's house, receiving food and sometimes clothing, but a smaller share of the crop at harvest time. The extent to which exploitation is bound up in these relationships was not explored, but other studies suggest these relationships can be very exploitative.<sup>27</sup>

Cross-site comparison of land ownership and cultivation, more generally, highlights the following:

- In Faryab, Kandahar and Saripul Provinces at least 2 of the 3 villages from each site have marked differences in the percent of households in WGI and WGII owning and cultivating land compared to those in WGIII (a difference of more than 50 percentage points in at least two villages).
- In these same three sites, nearly 50 percent or more (Faryab 48 percent, Kandahar 90 percent and Saripul 76 percent) of WGIII or above households do not own land nor are they cultivating land. For Kandahar, however, it must be mentioned that before the drought many households rented-in and sharecropped land.
- Owning and sharecropping-in land is most common in Badakhshan, Herat and Faryab, although for different reasons. In Badakhshan, for example, this is undoubtedly due to the high labour demands of opium poppy, which encourages landowners to sharecrop-out land, while the potential income from opium poppy encourages those with limited or no land to sharecrop-in land.
- Owning land and sharecropping-out is a particular feature of Badakhshan and Faryab Provinces, although again probably for different reasons.
- Not owning land but sharecropping-in is essentially restricted to members of WGIII and occurs across all sites. However, only a relatively small proportion of these households are in this position, except in Badakhshan, where it is more significant (again probably due to poppy production).

<sup>25</sup> Mansfield, D. "The Economic Superiority of Illicit Drug Production: Myth and Reality," Opium Poppy Cultivation in Afghanistan, Paper Prepared for the International Conference on Alternative Development in Drug Control and Cooperation, Feldafing, September, 2001.

<sup>26</sup> Coke, A. *Wheat Seed and Agriculture Programming in Afghanistan: It Potential to Impact on Livelihoods: Two Case Studies from Five Villages in Two Provinces*. Kabul: AREU. 2004.

<sup>27</sup> See Alden Wily, *Land Rights in Crisis: Restoring Tenure Security in Afghanistan*, op cit; Christoplos, I. *Out of Step? Agricultural Policy and Afghan Livelihoods*. Kabul: AREU. 2004.

Looking at land ownership alone, rather than ownership and access, helps us understand these cross-site patterns. Table 6 lists by site, village and wealth group the average area of land in *jeribs* (one *jerib* equals 2000 square metres) held by each wealth group. Statistics showing the dispersion of values around the average are not shown for reasons of clarity of presentation, but they are wide and standard deviations of the mean are also generally large. This reflects the size differences in land holdings that occur within the same wealth group.

For the purposes of analysis, land types (irrigated, rain-fed, orchard, etc.) in Table 6 are combined and not analysed by type. It is important to note, however, that the land

data from Faryab includes major holdings of rain-fed land, although most villages also own irrigated land. The data for Saripul also include significant areas of rain-fed land, with only a few households also owning irrigated land. In all other sites, rain-fed land was insignificant.

It is also important to note that these land data are based on what was reported and not measured. The unit of the “*jerib*,” whether it is the *Kabuli* (official government) version or not, is more realistically a variable rather than an absolute measure of land area. Thus, the points of comparison are not comparing like with like in terms of land quality, irrigated versus rain-fed land, and so forth.

Table 6: Land ownership: mean area (*jeribs*) by wealth group, WGIII as percent of total sample area and mean household area per village

Provinces/Villages	WGI	WGII	WGIII	WGIII as % total land	Village Mean
<b>Badakhshan</b>					
V1	16.3	43.5	1.9	7.2 (60)	16
V2	33.7	6.8	0.4	3.1 (63)	7.3
V3	8.9	4.3	2.6	22.7 (80)	4.5
<b>Faryab</b>					
V1	1,932	930	241	13.8 (40)	959
V2	132	50	0.3	0.2 (50)	45.6
V3	216	51	11	5.0 (35)	78.6
<b>Ghazni</b>					
V1	*	*	*	*	
V2	*	*	*	*	
V3	1.4	3.8	1.4	33.7 (40)	1.7
<b>Herat</b>					
V1	0.3	5	1.9	54.4 (67)	2.3
V2	18	5	9.5	48.8 (60)	8.3
V3	4.5	3	1.2	25.0 (73)	1.9
<b>Kandahar</b>					
V1	24.2	5.7	0	0 (55)	8.1
V2	80	30.4	4.1	20 (74)	14.5
V3	400	0		0 (90)	40
<b>Laghman</b>					
V1	3.4	1.8	1.0	21 (40)	1.9
V2	5.3	1.8	1.4	47 (67)	2
V3	0.8	1.1	0.5	3.2 (7)	1.0
<b>Saripul</b>					
V1	62	20.5	4.5	12 (50)	18.6
V2	0.3	25	3.5	12.2 (58)	7.5
V3	56.3	23.4	5.9	1.0 (38)	22.5

\* Unavailable data

In column 4, the land holdings of WGIII and below (WGIII and IV have been combined) are expressed as a percent of the total land area of sample households. The number of households in these wealth groups (as a percent of the total sample) is expressed in the brackets. The final column (column 5) states the mean area of the total village sample.

Looking at the data across all villages and sites, the proportion of land held by WGIII households is usually substantially less than their weight in the village household sample. For four sites (Badakhshan, Herat, Kandahar and Saripul) the households in WGIII are a majority of sample households (50 percent or more), but own a minority of land. In comparison, the mean land area of WGI households is substantially greater than that of WGII, although not always (contrast Faryab and Kandahar with Ghazni [V3], Badakhshan [V1] and Saripul [V2]).

There are of course exceptions: attention is drawn particularly to Laghman, Herat and Ghazni, where there is more equitable land distribution (which is not to say that they are equitable). This finding for Laghman and Ghazni reflects the small land areas and mountainous geography of the holdings. However, the data for Herat require further investigation. This is particularly so as comparative evidence indicates that the greatest inequalities in land holdings tend to occur in the most intensive areas of cultivation, which are generally intensively irrigated areas such as Herat. It must be noted that follow-up interviews in Herat by DACAAR staff found that in village two, 300 *jeribs* of land (compared to a village average of one to four *jeribs* per household) is owned by a man living in Herat City. The owner had purchased the land, rather than inheriting it, and now sharecrops most of it out.<sup>28</sup>

Gender inequalities of landownership also exist across most sites, although the patterns of ownership differ both within villages and between sites. Table 7 shows the percentage of men from landed households who consider land to be owned jointly by men and women. Of the total households who own land, 31 percent said both men and women own the land. This figure is skewed by the fact that all households in Laghman and Herat reported that land is owned jointly. However, follow-up interviews by DACAAR staff in Laghman and Herat found that women are not considered able to exercise any decision making power over the land.<sup>29</sup> Moreover, when women inherit land they are mostly expected to pass the land onto their brothers.<sup>30</sup>

In terms of women owning land by themselves, only 1.87 percent of women from the sample own land in their own name, and these are mostly from Badakhshan. Of particular note is that four women in two of the Badakhshan villages own land by themselves, despite being in male-headed households. It would be interesting to find out how these women are able to retain ownership in their own right and what this ownership means for them. Of the 25 female-headed households in the sample, only one woman owns land (though this may be because the remaining women are from landless families).

Anecdotal evidence suggests that women may sometimes have to sell their land if they are not able to cultivate it. Women who own land and retain it will often sharecrop it out, though this will depend on availability of household labour. This is an areas that warrants much further exploration to see if there are ways of supporting women who own or access land or who can make claims on land to be able to use the land as productively as possible.

<sup>28</sup> Kerr-Wilson, A., and Ghafari, J. *Monitoring Afghan Rural Livelihoods: Six Villages in Alingar and Pashtun Zarghun South*. Kabul: DACAAR. 2004.

<sup>29</sup> *Ibid.*

<sup>30</sup> *Ibid.*; Alden Wily, *Land Rights in Crisis: Restoring Tenure Security in Afghanistan*, op cit.

Table 7: Percentage of joint ownership of land in landed households by site

Site	Percentage of land owned jointly with women
Badakhshan	10%
Faryab	8.7%
Ghazni	0%
Herat	100%
Kandahar	0%
Laghman	100%
Saripul	2.5%
Total Percent	31%

While general contrasts can be made across sites attention should also be drawn to differences between villages. It should be remembered that although these villages are relatively near to each other within each site, village asset portfolios differ, and this affects how land assets are distributed between households within the village. An understanding of village history and social relations would be needed to explain, for example, the land distribution patterns of village three in Kandahar in relation to village two, where all of the land in the village is held by one prominent family. As seen in the example from Herat, village histories and social relations may include an understanding of cross village land relations, since land ownership in one village may be held by people who live in another.

As discussed in the methods chapter, the land size denoting wealth differs greatly between sites, with 80 *jeribs* of irrigated land denoting wealth in one area and 1-5 *jeribs* in another. Also, although households are assigned to wealth groups, based on characteristics such as land ownership, households within a wealth group differ. For example, in poorer wealth groups there are households with a small amount of land as well as households with no land, meaning that different households in the same wealth group may have different livelihood strategies for accessing grain and

for coping with risk. The evidence also shows that some households beg for their grain needs, while other households with the same land holdings, or lack of, do not. The size of land holdings is not always enough to determine household livelihood outcomes. It is important to remember that skills, education, household composition and social networks, among other factors, have a role in determining outcomes.

Overall, the land ownership data highlight five key points: First, a majority of households across all sites obtain a minority (less than 25%) of their grain from their own farm production. Second, most of these households are in the lower wealth groups (WGII and below), although this depends on site characteristics. Third, households in WGIII, despite being the majority of the household sample, tend to own a minority of the land area. Fourth, households both not owning and not cultivating land are almost exclusively found in WGIII and below. Fifth, women own far less land than men.

### 4.3 Livestock ownership

The evidence from land ownership raises important questions about where households who obtain most of their food supplies from the market and have limited or no land holdings, obtain their income. The evidence from this project shows that it is not from livestock.

Table 8 summarises the mean number of sheep and goats held by each wealth group and the percentage of the total sheep and goat flocks that are owned by sample households. The data on sheep and goats have been selected on the grounds that numerically these are the most important livestock holdings.

Caution should be expressed with respect to the idea of “ownership,” as it is not as straightforward as might be presumed. In

<sup>31</sup> Kerr-Wilson and Pain, op cit.



Laghman villages' access to livestock and rights to production change over time and rights are both actual and potential.<sup>31</sup> This is largely due to practices that allow livestock-poor households to look after the livestock of other households and be paid through the progeny. Evidence of this has also been found in Faryab,<sup>32</sup> but there is a need for further research into this practice elsewhere in Afghanistan.

Data on cattle, including draught power, are not presented for the reason that mean cattle holdings, except in Badakhshan and Faryab,

are small (1-2 per household and often less for WGIII households), and not the main income source in terms of livestock. In two of the three Faryab villages, WGIII households own no cattle, while in Badakhshan only 14-33 percent of WGIII households have cattle holdings. Data on donkey ownership are also not included. Across all villages there is less than one donkey per household in WGIII. This is not to deny the importance of these types of livestock. Indeed, both cows and donkeys are highly important, the former for household nutrition from dairy produce and the latter in terms of carrying water and other goods.

Table 8: Mean number of sheep and goats owned by site, village and wealth group (percent of total livestock holding of household sample per village in brackets)

Province/Village	WGI	WGII	WGIII	WGIV	Total no. of livestock owned by village
<b>Badakhshan</b>					
V1	7 (21%)	6.5 (65%)	0.6 (12%)		60
V2	74 (76%)	9 (13%)	2.8 (11%)		293
V3	42.5 (64%)	5.8 (17%)	6.4 (19%)		267
<b>Faryab</b>					
V1	72.4 (53%)	46 (33%)	12 (14%)		688
V2	83 (87%)	12 (13%)	0.2 (0%)		477
V3	4 (30%)	5.2 (63%)	0.7 (7%)		67
<b>Ghazni</b>					
V1	1 (13%)	0.5 (33%)	1.1 (53%)		15
V2	5 (15%)	2.5 (15%)	2.3 (41%)	0.9 (29%)	34
V3	1 (14%)	6.6 (67%)	1.1 (18%)		49
<b>Herat</b>					
V1	2.5 (62.5)	0.7 (25%)	0.1 (12.5%)	0	8
V2	0	3.1 (65%)	1 (35%)	0	17
V3	0	0	0	0	0
<b>Kandahar</b>					
V1	61 (67%)	7.4 (28%)	0.8 (5%)		183
V2	0	6.8 (52%)	2.2 (48%)		65
V3	0	0.3 (100%)			6
<b>Laghman</b>					
V1	2 (67%)	0.2 (8%)	0.5 (25%)		12
V2	1 (9%)	0	2 (91%)		22
V3	0	3.1 (100%)	0		40
<b>Saripul</b>					
V1	13 (55%)	4.7 (45%)	0		73
V2	35 (57%)	16 (43%)	0	0	185
V3	8.3 (37%)	4.2 (62%)	0.1 (1.4%)		68

<sup>32</sup> Pain, A. *Livelihoods Under Stress in Faryab Province, Northern Afghanistan, Opportunities for Support*. Pakistan/Afghanistan: Save the Children USA. 2001.

The general pattern of household sheep and goat ownership is fairly clear:

- Ghazni, Herat and Laghman have minimal sheep and goat flocks (50 or less per village). These are also the sites where mean land holdings are small (no greater than seven *jeribs* and usually three or less) across all wealth groups.
- Kandahar and Saripul have moderate holdings of sheep and goats (50 - 200 per village). In village one in Kandahar and village two in Saripul ownership is skewed towards the higher wealth groups.
- In the remaining two sites of Badakhshan and Faryab two of the villages in each site have more than 250 sheep and goats and in these villages ownership is strongly skewed towards the higher wealth groups.

The difference between sites in part reflects the traditional importance of livestock as a livelihood in certain areas. For example, the people of one of the villages in Faryab have traditionally been very involved in livestock rearing and this is how these people identify themselves.

The evidence indicates that poorer wealth groups have minimal livestock holdings across all sites. Thus limited land and livestock holdings are characteristics of poorer wealth groups.

Women's ownership of livestock is far less than that of men's. Including cattle, draught power, sheep and goats, donkey and chickens, ownership solely by women accounts for 24 percent, male ownership for 54 percent and joint ownership for 22 percent. This picture is somewhat distorted by including chickens, which are generally considered to be owned by women and which have a much lower cash value. The picture is also skewed by the fact that most livestock owned in the three Ghazni villages is considered to be jointly owned, which makes the amount of joint ownership overall look far greater. Analysing cattle, sheep and goats only changes the statistical

picture, with only 11 percent of households containing women who own cattle, sheep and goats. There also appears to be some difference between wealth groups, with poorer wealth groups containing higher numbers of households in which women own livestock. This may be in part due to the larger number of WGIII female-headed households, as 10 of the 24 female-headed households own some livestock, usually one goat or one cow.

Women, therefore, tend to own far less land and far less livestock, though again what this ownership, or lack of, really means in practice is not completely understood. What is apparent, however, is that it is more common for women to own livestock than land. The data on activities also show that women are very involved in livestock management. Neither this ownership, nor women's role in livestock management, appears to be reflected in a majority of programming linked to livestock. Projects targeting women rarely extend their remit beyond chickens, which are notoriously prone to disease, and generate little income compared to other types of livestock.

The evidence on grain budgets, land assets and livestock holdings all point to agriculture having a limited role in supplying, directly or indirectly, grain for a significant number of poorer households. This finding raises an essential question - how are people obtaining income?

#### 4.4 Household income portfolios

This section examines the issue of income diversity and the relative contribution of different income sources, before exploring specific income sources. Information on the importance of different income sources was obtained by a ranking exercise for each season during the previous year. This method was chosen because quantitative data on income are difficult to obtain and their reliability is uncertain. It should also be noted that the contribution of income in-kind - the subsistence component from farm production

- is not included in this analysis. This section is only referring to cash sources of income.

The income categories are: farm labour, non-farm labour, livestock sales, farm sales, remittance, carpets and gilims, credit and loans, land mortgage, wild plants, trade and transport, and other asset sales. The data discussed are combined from all four seasons.

#### 4.4.1 Livelihoods diversity

To develop a picture of livelihoods diversity, the overall number of income sources is analysed against the contribution the largest income source made to the total income. This is determined by using a very crude measure of counts, i.e., the number of times an income source is reported. This does not tell us the amount of income from each source nor does it give an indication of return for effort or time expended (both important issues in understanding the relative return of different activities). Non-farm labour, for example, may well be different (or not) for a WGI household compared to a WGIII household.

From the data collected on livelihoods diversity, there are a number of key observations:

- The majority of households have diversified income sources. 18 percent of sample households have one to two income sources, 34 percent have three to four income sources, 30 percent have five to six income sources, and 17 percent have more than seven income sources. Overall, nearly 50 percent have five or more income sources.
- At one end of the spectrum are wealth groups that obtain income from one or two sources, either of which contributes more than 50 percent to total income. Groups across all wealth groups and sites are in this category, except for villages in Faryab.

- At the other end of the spectrum are seven of the nine wealth groups of Faryab Province (and WGII from one Badakhshan village). These wealth groups have more than seven income sources with no one source contributing more than 25 percent of income. In fact, in a number of the Faryab households there are up to 10 income sources.
- The majority of wealth groups across all sites have between three and six income sources. Half of these have one source contributing more than 50 percent of income and the other half have one source contributing between 25 and 50 percent of income.

Diversification of income sources is often regarded as a strategy of reducing risk in relation to the reliability and seasonality of different income sources. It is assumed that diversification leads to a more regular income and therefore to income smoothing. The effectiveness of diversification, of course, depends on the extent to which there are choices and opportunities (which often there are not) and is also determined by the extent to which one income source is dependent on another.

It is important to note, however, particularly under crisis conditions, that the significance of non-farm income is often positively correlated with the shocks affecting crop or livestock income. As agricultural incomes collapse, so do non-farm incomes. A good example of this is the collapse in carpet prices in Faryab during the drought: households shifted into carpet production as all agricultural options failed, leading to an expansion of production, and a sharp decline in carpet prices.<sup>33</sup>

In analysing diversification it is important to distinguish between diversification undertaken as a risk coping strategy and, therefore, in a sense forced, and diversification as a

<sup>33</sup> Ibid.

strategy of accumulating income and assets. Much of the evidence found in other environments suggests that in practice not only is diversification a coping strategy, but also that households may achieve little income smoothing as a result. This is because incomes remain highly episodic and unreliable. Thus diversification may not be taking place because of risk handling, but because of the fact that income sources are both short-term and unreliable and households are simply seeking to find any form of employment.

There is also a question as to whether it is the household that is multi-tasking (different members doing different things over space and time) or if it is an individual within the household. If the ability to diversify depends on household labour, labour poor households may find it particularly difficult to diversify. The amount of household labour available will obviously not only depend on the size of the household but also on the composition in terms of age and sex. One man in Sayyad District, Saripul, for example, spoke of how he was unable to sharecrop-in land as his household consisted of himself, his wife and his young son. His wife took care of their son and he could not sharecrop-in sufficient land by himself.

What the data from this study show is that in the vast majority of households different members are engaged in diverse income generating activities. Also, individual household members are often involved in varying activities depending on the season, and this changes depending on the activities of other household members. However, there also tends to be household members who are engaged in similar work all year round. For example, in carpet weaving households, women tend to be involved in weaving all year round. For households with land who do not sharecrop-out, individual household members may mostly be involved in agriculture all year round. The combination

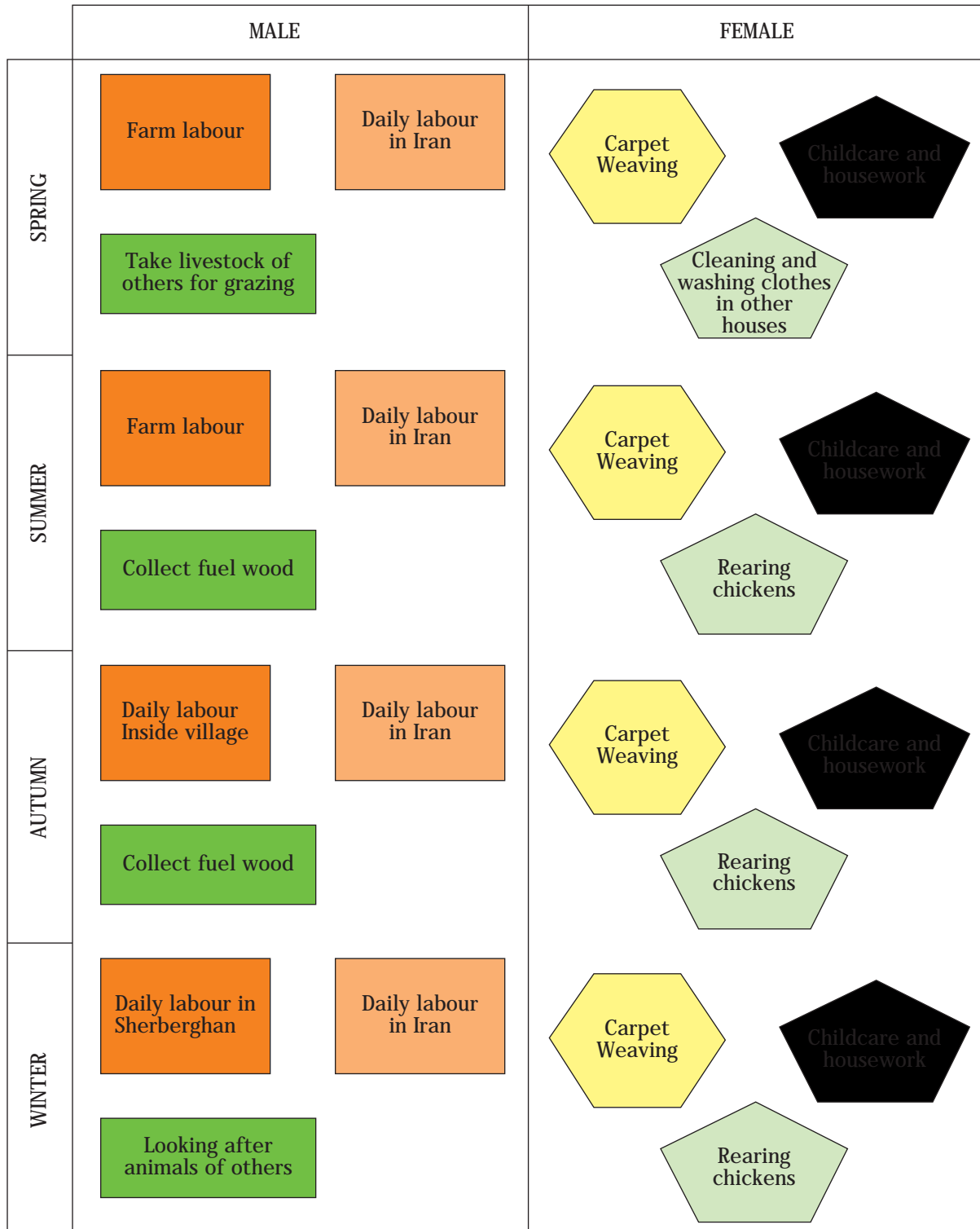
of activities obviously depends on household size and composition. Chart 1 provides an example of income source diversification in a poor household in one of the Faryab villages.

From the limited sample size it is not possible to identify a link between household size and wealth status. In some villages, the largest households are in the wealthiest groups, while in others they are in the poorest groups. The effect of household size is likely to be modified by the asset portfolio of the household. For example, if a household has some land and a lot of male members over the age of 15, it may be possible to use some of the family labour for working on the land, while the labour of others can be freed up to engage in other income generating activities. Conversely, a family with the same amount of land, but few adult members, may not wish to sharecrop-out if the land is small, and may have to use household labour to work on the land, resulting in no members engaging in other activities.

Wealth status and income generating opportunities will also change during the course of time. For example, if a female-headed household has only young children, obtaining income would be very difficult without strong social support mechanisms. However, when the children are old enough to work, the household's situation could be very different. The money either paid or received during the marriage of children may also positively or negatively affect a household depending on the sex of the child, with households generally receiving money for daughters and paying money for the marriage of sons. Whether a household is headed by a man or a widow may also affect wealth status, as women generally have fewer income generating options. This is obviously not always the case and will depend on their assets in terms of land, livestock, children, skills, savings and social and support networks.

Chart 1: Diagram of household activities from one poor household in Faryab, by season and gender

(The different colours signify different members and ages: For male: dark orange indicates senior male, light orange young man, green young boy. For female: red equals senior female, yellow and pale green both represent young women).



The relationship between the size of a household and wealth may depend on the definition of a household being used. For example, the National Surveillance System (NSS) found that larger households were associated with wealth. However, the NSS defined household as “a group of individuals sharing income and expenditure and that are living within the same compound.” Larger households were considered to be wealthier, as more members were able to pool income and expenditure. Conversely smaller households, who were not able to pool their income, and had become separate units, were considered poorer.<sup>34</sup>

For poorer households there may be greater constraints in starting profitable, risk-reducing diversification. Profitable diversification generally requires skills and education, which poor households often do not have. Instead, poor households tend to move into activities that have low entry costs, such as firewood collection, and casual urban and agricultural employment. It is the households with capital, skills and probably strong social networks who can move into shop keeping, livestock rearing, trade, etc.

Some households who diversify have one main income source with the other sources acting as supplementary income. In other households, each income source may be very small, but equally as important. For example, CARE found that in the Ghazni villages livestock is a key income source, yet looking at the small numbers of livestock owned this is not immediately apparent. This shows the importance of understanding locally a household’s range of income sources. If only livestock numbers were examined, a very different understanding of the importance of livestock as a coping strategy for Ghazni villages may have been obtained.

Having looked at income diversification, it is important to examine the nature of income sources.

<sup>34</sup> Personal communication with Wendy Johnecheck.

<sup>35</sup> Non-farm labour is used here to refer to work that is not agricultural, either on-farm or off-farm.

#### 4.4.2 Income sources

Table 9 summarises the most important reported income sources. Box 1 (top left hand corner) shows that for the nine wealth groups found in this box, seven reported non-farm labour, one reported wood and the other reported crop sales as their greatest source of income.

There are several key points to be made in relation to the data. First, for nearly 54 percent of wealth groups the most important source of income is non-farm labour,<sup>35</sup> whether it is wealth groups with only one to two or five to six sources of income. For wealth groups that have more than seven income sources, only 30 percent reported non-farm labour as the most important source.

Looking at cash income sources alone does not necessarily mean that non-farm labour is the most important income source. For example, if a household obtains most cash income from non-farm labour, but is fulfilling its food needs from its own production, then farming may still be the most important income source. However, when the main cash income source is compared with whether the household accesses the majority of its grain from its own production, or from the market or other means, together with the number of months the households are said to be food self-sufficient, a fairly consistent picture emerges. The majority of the poorest wealth groups obtain grain from means other than their own production, are food self-sufficient for only a very small part of the year, and obtain their main cash income from non-farm labour (see Appendix 2 for a breakdown of food self-sufficiency and main cash incomes). Non-farm labour is also the main income source for some of the richest wealth groups in particular areas.

More specifically, in 18 out of the 21 villages studied non-farm labour is the most important

Table 9: The most important income source (ranked first by the greatest number of households within a wealth group) by diversity (number) of income sources

Contribution of largest single income source				
100%	1. (N = 9) Non-farm labour (7) Wood (1) Crop Sales (1)	2. (N = 4) Non-farm labour (3) Crop Sales	3.	4.
75%	5. (N = 3) Non-farm labour (3)	6. (N = 10) Non-farm labour (4) Crop sales (2) Livestock (2) Remittance Wood	7. (N = 3) Non-farm labour (2) Crop Sales (1)	8.
50%	9. (N = 2) Crop Sales Non-farm labour	10. (N = 10) Non-farm labour (5) Crop Sales (4) Livestock Credit	11. (N = 14) Non-farm labour (9) Crop Sales (3) Livestock Credit	12. (N = 6) Non-farm labour (4) Credit (2)
25%	13.	14.	15. (N = 1) Carpets	16. (N = 8) Crop Sales (2) Non-farm labour (2) Livestock (2) Carpets Credit
0	1-2	3-4	5-6	>7
	Number of income sources			

N = Number of wealth groups in the box

source of income for the poorest wealth groups. In 12 villages, the main income source for the second poorest wealth groups is also non-farm labour. In six villages it is also the main income source for the wealthiest groups. This is not to say that non-farm labour is the only source of income at the household level for these poor households. As already discussed, households have diverse income sources, including farm labour, livestock and crop sales, both in cash and in-kind.

Farm sales are the major income source for 19 percent of wealth groups. This is largely confined to being the major source of income for WGI; the exception to this is Badakhshan, where most wealth groups rely on farm sales, which is probably because almost all wealth groups sell opium poppy.

There appears to be little sale of grain under the farm sales category. For example, in

Faryab most farm sales are from the sale of fruit rather than from wheat. Only 10 households reported selling wheat and only four reported selling rice. While the numbers seem extremely low, this may in part be the result of under-reporting, but given that few households are food self-sufficient it is not surprising that they are not selling grain. People may also be storing grain in the hope that the sale price of wheat will increase.

The importance of non-farm income may have increased in importance due to war and drought, but there is nothing to suggest that non-farm labour has not been important for a long time for poor households. What is not known is if agricultural production improves will this continue? This will obviously depend on the type of agricultural development. For example, if mechanisation continues then the importance of non-farm labour for those with little or no land may continue and increase due to fewer opportunities for farm

labour. As the research team heard during field trips to Faryab and Saripul, if wheat prices are low people may wish to move away from sharecropping to a combination of farm and non-farm labour.

It must be noted, as was discussed in the methods chapter, that it is unclear what exactly the category of non-farm labour actually entails. For example, while there was a separate category for remittances, DACAAR found in their follow-up research that the two categories had been confused, and that remittances from migrant non-farm labour had come under the heading of non-farm labour. This may mean that adequate information on how important income from migrant labour, both inside and outside Afghanistan, has not been captured. It is certain, however, that more than a quarter of households (27 percent) had at least one member away for at least one month of the year (see Table 10).

The highest percentages of households with members working as migrant labour are found in Ghazni, Badakhshan and Laghman. Many of those from the Badakhshan villages are migrating to local villages for fuel collection rather than paid work. The flow of migrant workers from Badakhshan to other provinces, such as Kunduz, is believed to have been curbed by the growth in poppy cultivation in Badakhshan, which has created incentives for working in Badakhshan rather than outside.<sup>36</sup>

Herat and Saripul have the smallest percentage of households with members working outside the village. The villages in Herat and Saripul are among those with the fewest income sources, as compared to Faryab, and one village in Badakhshan. Migrant labour may, therefore, occur more in households that have diversified income sources, though again this will depend on the ability of the household to send a member away to work. With the exceptions of Faryab

Table 10: Non-resident member activities by wealth group

Province	Percentage of households with at least one non-resident member by wealth group				Activities	Location of migration
	WGI	WGII	WGIII	WGIV		
Badakhshan	0	43	33	62.5	Casual labour, firewood collection, fuel collection	Nearby villages; Taloqan Province; Pakistan
Ghazni	15	48	42	N/a	Casual labour, skilled labour, tailoring	Ghazni City; Kandahar; Iran; Pakistan
Herat	0	0	17	17	Casual labour	Iran
Faryab	31	19	22	N/a	Skilled labour, casual labour, firewood collection	Iran
Kandahar	20	13	8	N/a	Driving, casual labour, waiter	Kandahar City; Kabul; Pakistan
Laghman	14	43	29	N/a	Casual labour, skilled labour	Iran; Pakistan
Saripul	11	4.5	22	0	Casual labour, shepherding	Sayyad; Sheberghan; Pakistan; Iran

<sup>36</sup> Pain, A. *The Impact of the Opium Poppy Economy on Household Livelihoods: Evidence from the Wakhan Corridor and Khustak Valley in Badakhshan*. Kabul: AKDN, 2004.



(where diversification appears to be occurring from a position of strength) and Kandahar, migrant labour appears to be higher in poorer wealth groups (WGII-IV).

In terms of income generated by women and children it is unclear to what extent their activities are captured under non-farm labour. The questionnaire included a separate category for carpet/gilim weaving, but it is likely that some weaving as well as sewing, tailoring and embroidery are included in the non-farm labour category. In a study on gender roles in agriculture, women's carpet weaving was the biggest source of income in some poor households in two villages in Daulatabad, Faryab.<sup>37</sup> Since the drought carpet and gilim weaving have, however, become quite exploitative in these villages (see Box 2). The evidence does not indicate if children, particularly from poorer wealth groups, are involved in non-farm production nor does it capture domestic household activities. Yet in carpet-weaving villages girls as young as 10 are involved, while boys, usually around the age of 14, are also involved in non-farm income generating activities, such as carrying goods in the local bazaar. This is particularly the case in Kandahar, possibly due to the closer proximity of the villages to an urban area.

From this study, the vast majority of women are involved in production and income generating activities such as carpet weaving, gilim weaving, sewing, embroidery and tailoring as well as other activities such as agricultural work (both on crops as well as livestock management), and making dairy products. These activities largely take place within the village, although there are exceptions (see Box 3). The study on gender roles in agriculture also found that while these activities do generate income, with the exception of carpet weaving, the income is very small and unlikely to be sufficient to support a family. This is in part due to the fact that most women are not linked into markets and do not have business or marketing skills.

The question that arises out of the prevalence of non-farm labour is why do so many rural households engage in non-farm activities. A combination of factors appear to affect whether household members work in non-farm labour:

- Whether the household owns land of sufficient quality and size with adequate access to water. As has already been demonstrated, many poor households, and some richer households, have very

#### Box 2: New terms of trade in carpet weaving

Women in Faryab said they had always weaved carpets, but they are weaving more now than in the past. They cite the drought as well as the Taliban as reasons for this. When the Taliban soldiers came to the village the women were not allowed to work on the land, and livestock as well as land were taken. During this time carpet traders encouraged women in these villages to weave more carpets to sell.

Before the drought, some households from Daulatabad would use the wool from their own livestock for carpet weaving and were therefore less reliant on outside traders for raw materials. Since the drought, and with the decline in livestock numbers, many women and their families have become tied into receiving raw materials from middlemen, mainly in Andkhoy, and making carpets to order. In return they often receive half the profit minus the cost of raw materials. Many of these women now make less profit than in the past. Some households have also become trapped in a cycle of debt, whereby the middleman provides a loan to tide the household over until the carpet is sold. Once the carpet is sold, the household repays the loan from the profit, and once more needs to take out a loan.

<sup>37</sup> Grace, *Gender Roles and Agriculture*, op cit.

## Box 3: A business women in Faryab

One widow buys material from a trader in a nearby village and sells it to women in Quraish. This widow had no carpet weaving skills, unlike most other women in the villages, due to her family circumstances when she was a child. She was born into a landless family, the youngest of four sisters, who were all married young, and with a brother who was deaf and dumb. As a result, she had to work outside the house as a child grazing other people's animals and thus she never learned the skills of carpet weaving from which she could have earned income.

She now makes a living partly from selling the material she obtains from the trader, for which she receives 10 Afs per item, and partly from charity given to her by the village. She travels by donkey to a neighbouring village and buys material from the trader whom she says is sympathetic to her situation. Her daughter has learned the skills of carpet weaving and her son-in-law, who lives with her, works as a farm labour on wheat fields. Her eldest son, who is 14, started work as a farm labourer this year.

This woman was able to start trading material through the help of another woman who did this. This women saw her crying and asked what was wrong. It was after she heard her story that she taught her the required business skills.

This widow was married at 17 to a 55-year-old man. She was widowed 17 years later (7 years ago). By the time the other woman met her she had been a widow for 2 years and was in despair over how to make an income. With 4 children (6 others died) she was determined not to beg.

Source: Grace, J. 2004

- small or non-existent land holdings and access to irrigation is also problematic.
  - Whether farm work is available, which may be linked at the local level to the size of land holdings and the size and composition of the landholder's family, determining whether there is enough family labour to work the land.
  - The skills of household members. For example, becoming a sharecropper without experience is very difficult. Alternatively, if people have skills such as carpentry, carpet weaving or masonry they may be able to earn higher wages than from farm labour.
  - For women, especially wealthier and younger women, mobility and socio-cultural stigmas attached to them working on the land in certain areas may limit their work on farms (though they may still be involved in many agricultural activities inside the home).
  - Poorer households often need regular income to use for daily expenditures, making activities such as sharecropping difficult without seeking loans.
  - Wage differentials for farm and non-farm work. If wages are higher for non-farm work this may pull people into this type of work.
  - The fact that farm work is not available all year round.
- Whether non-farm labour is undertaken inside or outside the village will depend not only on the availability of work, but also on wage differences inside and outside the village. Seasonality is also a major factor impacting on rural livelihoods, as it determines what types of work are available and necessary (see Box 4). It is very important to know not only *what* people are doing but also *who* is doing the activities and *when*.

## 4.5 Expenditure

This chapter began by looking at where households obtain their grain and concluded that the market is the most important source for a majority of wealth groups. This section examines in more detail expenditure patterns at the village and wealth group level. As with