



BRIEFING PAPER

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Transnational Networks: Recognising a Regional Reality

Transnational Networks

This briefing paper highlights the nature of Afghan transnational networks and argues that Afghan and international policymakers need to recognise the importance of regional migration for Afghanistan's future.

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Overview

The purpose of this briefing paper is to highlight the importance of transnational migratory networks to the reconstruction of Afghanistan. This paper focuses on Afghan population movements into Iran, and is part of AREU's ongoing research project into Afghan transnational networks being implemented in Afghanistan, Iran and Pakistan. It points to actions that could be taken to reduce and eliminate the costs, financial and otherwise, to Afghans migrating to Iran, while at the same time ensuring individual and state security on both sides of the border. It argues that the Afghan government and policymakers need to acknowledge and realise the economic potential of regional labour migration for Afghanistan's future growth.

After the fall of the Taliban and the establishment of the interim administration in Afghanistan in December 2001, Afghan refugees have returned in large numbers. According to United Nations High Commissioner for Refugees (UNHCR) repatriation figures, at the end of January 2005, 2,256,712 individuals had returned from Pakistan and 767,887 from Iran. Potentially, more than one million of the up to four million Afghans who remain in the two countries may return home in the next two years. This level of repatriation not only shows a degree of confidence in the nascent state, but also reflects expectations created by donor pledges to rebuild the country and the deterioration of living conditions in the places of refuge. To a lesser degree, it has also been affected by the Iranian and Pakistani authorities increasingly implementing policies to encourage Afghans to return home since a government supported by the international community has been established in Kabul.

Despite the high levels of return to Afghanistan, families and individuals continue to move, and it seems unlikely that the back-and-forth movements will stop while they constitute a key livelihoods strategy. Many Afghans have

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About the research project. This briefing paper draws on the findings of the two transnational network case studies published by AREU in 2004–05, and is part of AREU's ongoing transnational networks research project funded by the European Commission (EC), the United Nations High Commissioner for Refugees (UNHCR) and Stichting Vluchteling. The project comprises research in Afghanistan, Iran and Pakistan.

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been shifting from one place to the next for years – some never returning to their place of origin, others only on a temporary basis before deciding to return into Iran or Pakistan. Young men in particular, who have not travelled before, are still choosing to cross into Afghanistan’s neighbouring countries – suggesting that displacement is not only caused by conflict, but that other reasons continue to prompt movement to Iran and Pakistan.

Migration to Afghanistan’s neighbouring countries, and the very significant sum of remittances sent home, can be seen not only as a response to war and poverty, but also as an efficient livelihoods strategy for households and a key contribution to the economy of the country as a whole. There is a clear pattern of multidirectional cross-border movements that indicates the ongoing, cyclical nature of migration – blurring the boundaries between “refugees” and “voluntary” migrants. The concept of a permanent resettlement or irreversible displacement does not take into account this multidirectional aspect of population movements. Through the continuous circulation of people, money and commodities, as well as information, Afghans who are spread across a range of locations remain linked: in this way transnational networks are constituted by Afghans interacting and cooperating with each other across international frontiers.

This conclusion must be taken into account by policymakers: the repatriation of all Afghans living in neighbouring countries is not feasible, and it would undoubtedly have a negative impact on the economic reconstruction of the country. In formulating an appropriate response to Afghan migration, the governments of Afghanistan, Iran and Pakistan, along with the assistance community, must:

- recognise that migration is not only a reaction to war and economic hardship, but also a key livelihoods strategy that is likely to continue well beyond the UNHCR’s voluntary repatriation programme;
- establish a bilateral labour migration framework that provides a clear legal identity and rights for Afghan labourers in Iran;
- provide easier access to passports for Afghans;
- increase awareness of the contribution, both in labour and otherwise, of Afghans to the Iranian and Pakistani economy; and
- in line with international conventions, continue to uphold the refugee status and protection of the most vulnerable.

I. Causes of Migration

Migration as a way of life

Since 1978, Afghanistan has been torn apart by war and civil strife, generating one of the most significant population displacements in the world. The strategies developed by Afghans during these many years cannot be accounted for simply by using the definition of “refugee” given by the 1951 Convention and the 1967 Protocol, and that of the “labour migrant”. Along with endemic insecurity, the economic differential between Afghanistan and Iran has long led Afghans to migrate to their neighbouring country to find employment and enjoy the benefits of a higher income.

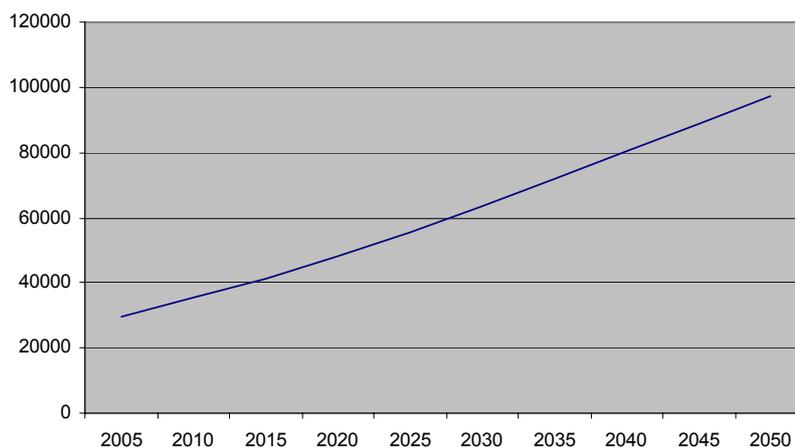
In the 1960s and 70s, with industrialisation in Afghanistan negligible, there were insufficient employment opportunities for the newly educated and the growing rural populations. The Middle East oil boom in 1973 was a catalyst for many Afghans to cross into Iran to capitalise on increased labour opportunities. Remittances to Afghanistan from abroad rose in response to the demand for cash, and just before the start of the Soviet occupation several hundred thousand Afghan migrant workers were in Iran.¹

Employment opportunities and relatively higher wages, as well as the pursuit of asylum and welfare, continue to encourage Afghan men to cross the border, despite the difficulties Afghans experience in Iran. For many, migration has become a way of life: it is now highly organised, and the transnational networks that have developed to support it are a major, even constitutive, element in the social, cultural and economic life of Afghans. One of the most striking aspects of this phenomenon is the significant flow of capital remitted to Afghanistan, which is playing a crucial role in the reconstruction of the country.²

Population growth

Although no precise figures are available, the population of Afghanistan in the late 1970s was estimated at about 15 million, while in 2004 the UN quoted it at 29,863,000. The UN also estimates that by 2050 Afghanistan’s population will have tripled to 97,324,000.³

Figure 1. Population projections for Afghanistan to 2050



Source: Population Division of the Department of Economic and Social Affairs of the UN Secretariat, *World Population Prospects: The 2004 Revision and World Urbanization Prospects: The 2003 Revision*, <http://esa.un.org/unpp> (accessed 7 March 2005).

In spite of the war and the extensive Afghan diaspora, Afghanistan’s population has increased dramatically over the past 25 years, with a high proportion of young people (44.7 percent between 0 and 14 years).⁴ In some regions like Behsud, the density when recalculated on the basis of cultivable land is greater than that of Bangladesh.⁵ The size of land parcels owned by individuals continues to decrease with each generation, because of inheritance customs that stipulate the division of property among the sons of a family. At the same time, there has been insufficient economic growth in urban centres to absorb the increased number of Afghans needing work. This has resulted in shifts in wealth, as some well-off families lose their primary income source (agricultural land, livestock) while some enterprising people have set up new businesses.

¹ B. Rubin, 2002, *The Fragmentation of Afghanistan: State Formation and Collapse in the International System*, New Haven, CT: Yale University Press, 79.

² Migration as a pre-existent and crucial livelihood strategy among Afghans has been recognised in previous works by AREU, which have stressed the importance of viewing it in a positive light: A. Pain and S. Lautze, 2004, *Addressing Livelihoods in Afghanistan*, Kabul: AREU, 32; I. Christoplos, 2004, *Out of Step? Agricultural Policy and Afghan Livelihoods*, Kabul: AREU, 29–31; J. Grace and A. Pain, 2004, *Rethinking Rural Livelihoods in Afghanistan*, Kabul: AREU, 49.

³ UN, *World Population Prospects: The 2004 Revision Population Database*, <http://esa.un.org/unpp/p2k0data.asp> (accessed 7 March 2005).

⁴ 52.9 percent 15–64 years; 2.4 percent 65 years and over.

⁵ C. Johnson, March 2000, *Hazarajat Baseline Study – Interim Report*, UN Co-ordinator’s Office, 46.

The impact of drought and pests

Rural Afghan families both with and without land and livestock have had to adapt their livelihoods strategies to deal with the impact of drought. Male out-migration in particular emerged as a coping strategy in response to the effects of drought in the 1970s and again in the late 1990s. Though 2003 saw major agricultural improvement with record harvests, in 2004 Afghans in at least 17 provinces were again faced with the effects of the long-lasting drought, loss of groundwater, diminished snow packs and less rainfall. Besides the lack of water – exacerbated by the fact that many irrigation facilities were destroyed during conflict through military aggression and neglect – plant diseases and low-quality seeds have further increased crop losses. This situation has prompted many men from rural areas, as well as former tenants, sharecroppers and small landowners from semi-urban areas, to leave their places of origin. As one *arbab* (head or representative of a village) in Faryab Province indicated, “five hundred men will return from Iran, but a thousand might depart,” because of the inability of men to provide for their families.

Uneven economic development

Inequitable economic growth seriously undermines Afghanistan’s development, as trade opportunities tend to be monopolised by the rich and powerful.⁶ The informal economy and the black market account for a large proportion of the Afghan economy, while the booming drugs trade is controlled by commanders who keep farmers under pressure to produce.⁷ Even with some economic growth taking place in major cities since the end of the Taliban regime, large-scale investment and national emergency and development programmes have reached different regions in Afghanistan unevenly.

For instance, Herat in western Afghanistan is thriving because of its trade with Iran, and the related customs income has allowed for major

investment in the city’s infrastructure. Although employment opportunities remain irregular and often insecure, most people (including returnees) with connections (*wasita*) have generally been able to find work. A few kilometres outside the city’s boundaries, however, overall employment opportunities remain limited because of the drought, relatively small landholdings and population growth, and the fact that no industries have been established. Across socioeconomic classes and ethnicity, many men from Herat continue to depart to seek work in Iran.

In a small provincial capital such as Maimana, in the northwestern province of Faryab, there is a lack of regular work for skilled and unskilled labourers in industry, construction and trade. Those with traditional skills in small local industries like leather production face difficulties obtaining credit and selling their produce because of poor infrastructure, drought, and the impact of globalisation. Not even being able to cover the needs of its own inhabitants, provincial towns like Maimana have little hope of providing opportunities for its surrounding rural areas.

No rule of law

More than two decades of fighting has not only devastated Afghanistan’s infrastructure, it has also weakened government institutions and resulted in an absence of rule of law in many parts of the country. Along with difficult socioeconomic conditions, Afghans of all ethnic groups continue to experience insecurity due to political instability.

At present, migration to Afghanistan’s neighbouring countries is prompted by persecution and security-related concerns in only a minority of cases, however the levels of protection-related departures are still significant in some areas. While migration is therefore primarily economically driven, motivations may overlap and many men still flee their villages because of ethnic tensions, and, particularly in northern Afghanistan, to avoid forced conscription and taxation by some local commanders.

⁶ S. Lister and A. Pain, 2004, *Trading in Power: The Politics of “Free” Markets in Afghanistan*. Kabul: AREU.

⁷ In 2003, Afghanistan produced 3,600 metric tons of opium and provided more than three-quarters of the world’s supply of illicit opium and heroin. See UNODC, 2004, *2004 World Drug Report*, 59.

II. The Migrant Profile

Along with those external social, political, economic and environmental causes of migration, personal circumstances such as gender, age and family composition influence the decision to migrate. Recent migration has been shown in AREU's study to be a male phenomenon, with both single and married men crossing the border into Iran and Pakistan to seek employment.

Networks of protection for families at home

A family's integration within networks of support will partially determine whether a male member is able to seek work elsewhere. Access to resources (such as finances, goods and credit) from horizontal support networks is available when families have sufficient means to be able to reciprocate. Only then, or when vertical redistribution networks (on the basis of ethnicity or other commonalities) provide sufficient protection, can men depart with the knowledge that the remaining members of their families are taken care of. Contemporary labour migration cuts across all socioeconomic classes and ethnic groups: daily labourers, small traders, sharecroppers, tenants and small landlords are all among those making their way to Iran to seek work.

Age and marital status of migrants

Men who migrate are mostly those who are able-bodied and physically strong – in their teens, twenties, thirties and early forties. Single men often seek work abroad to save for a dowry as well as to provide for their parents and siblings at home; husbands go in order to send remittances to cover the basic needs of their family.

For young men, migration is sometimes a "rite of passage" in which they are able to live independently and prove themselves as adults. They usually go to Iran once before they marry, so that they can save something for wedding expenses and gain some experience of living away from the parental home. The first stay in Iran is often the longest (sometimes up to four, five or even more years), while married men tend to leave for two years at the most.

Composition of the family

Many families try to always have one of their men in Iran as a means of ongoing financial

support. It is age and marital status, but also the composition of the household, that determines who migrates: if a father is too old or ill then he will stay behind, and if a family has only one son it is unlikely that he will be allowed to leave for Iran. Husbands in their twenties, thirties and possibly early forties commonly migrate, along with single or engaged men in their teens or early twenties – not necessarily the oldest sons, but the oldest unmarried ones. In exceptional cases a wife or mother is left behind without male protection, but mostly one of her male relatives will provide the necessary care. There is often a migratory cycle among brothers: a man leaves for Iran; after two or three years one of his brothers joins him and benefits from his experiences and contacts; they stay together for a few weeks or months; then the first one goes back to Afghanistan, and the cycle continues.

Who is deciding?

Household decisions about migration are made within the context of broader domestic strategies. In some cases, adult men will make their own decision to migrate, but most often the decision will involve either the father or the brothers. Brothers and cousins, and sometimes more distant relations and neighbours, will help each other and possibly fund the journey to Iran. The presence of friends and relations abroad will then influence the ultimate destination of the migrant.

There are different trends in the decisions of young men to migrate: most obtain the consent of their parents before leaving, while some are requested to go by their family for particular reasons, such as the prospect of forced conscription. In some cases, adolescents leave in groups without informing their parents – most often because they have been deceived by a smuggler who lures them with the prospect of high salaries and a luxurious lifestyle.

The role of women in deciding whether an adolescent migrates is not usually acknowledged in public. While it is assumed that married men make all the household decisions, women – especially mothers, where adolescent boys are concerned – may strongly influence the decision-making process.

III. Smuggling Networks and Ways of Entering Iran

The large majority of Afghans travelling to Iran resort to using smugglers to guide them across the border. In western Afghanistan the two formal border crossings, namely Islam Qala in Herat province and Zaranj in Nimroz, are for this reason avoided. Moreover, people-smuggling routes constantly adapt to changing circumstances; currently most routes run through the provinces of Farah and Nimroz in southwestern Afghanistan.

Functions of smugglers

Smugglers organise the crossing of the border between Afghanistan and Iran. They also facilitate the maintenance of social ties over a vast geographical area, playing a vital role in the transnational networks of people scattered throughout different countries. The smuggling networks are diverse, and so are those occupying positions within these structures.

While some experienced migrants start out by themselves to reduce the costs of hiring a smuggler at the beginning of the journey, most end up becoming part of a group of up to 20 people. A guide from the same region normally accompanies them and works as an intermediary to get in touch with the people smuggler (generally a local Baluch or Pashtun) who organises the crossing of the international border, then hands the group over to another smuggler in Iran. This initial guide can be a relative or a neighbour from the place of origin; if so, he is more likely to take on additional functions such as providing credit, facilitating employment, acting as remittance specialist or messenger – especially if he accompanies the group all the way to the city of destination in Iran. An experienced migrant, who might receive a tip for his additional responsibility, or a representative of a group of relatives, sometimes takes on this guidance function.

Ethnicity, place of origin, and personal recommendations are of overriding importance in the selection of a guide before getting to the Baluch territories in southern Afghanistan, especially when the migrants are inexperienced. Collaboration with other smuggling networks takes place to provide the necessary protection and guidance: taxi drivers, for instance, can introduce migrants to smugglers (thereby increasing the costs).

Crossing the Iranian border is the most dangerous part of the journey, as a patrol can always intercept the convoy. The migrants are most commonly led by a Baluch smuggler who takes them across the frontier on foot. They are then taken to their final destination in vehicles provided by the smuggler, who handles the delicate relations with Iranian police along the way. The risks are high, although the checkpoints thin out as they move west. At each checkpoint it may be necessary to pay bribes, and it is always possible that the policemen or soldiers refuse the money and intern everyone in a camp before expelling them from the country.

Passport politics

Since the fall of the Taliban, an increasing number of migrants have been able to get a passport and a visa to go to Iran – although the majority continue to cross the border illegally. The official cost of a passport is 1,160 afghani (US\$23.20), yet many end up paying more because of the lack of information about formal passport prices and the huge inflation of costs caused by corruption. The same applies to the process of obtaining an Iranian visa, with official prices ranging from US\$30 for a tourist visa to US\$90 for a business visa.

Getting a passport through the formal procedures is time-consuming, and requires that the applicant possess an Afghan identity card or some other documentation proving his existence – which the large majority of Afghans do not have because of difficulties associated with the many years of conflict. Other obstacles to accessing passports include not having the cash nor the time to cover the necessary bribes, lodging and travel expenses if the province of origin does not have a functioning passport section in the local government (as is the case in Maimana). For those applicants without connections, there is often discrimination towards those from neighbouring provinces in the seven provincial capitals in which passports can be issued.

As a consequence of these difficulties, many would-be migrants obtain their passports illegally. Herat, like other main cities, has a thriving black market in which both new and used passports can be bought. Criminal

networks are able to exploit already poor men who plan to go to Iran, causing them to enter significant debts in exchange for false passports. In 2004, it was said that villagers in one area in Faryab were buying illegal passports for 15,000 afghani (US\$300), which is almost 13 times the official price.

Deportation of illegal Afghan immigrants

Contrary to the intention of the Iranian government, the arrest and imprisonment of smugglers and illegal migrants fails to curb migration. Deportation stops a few Afghans from returning, but despite these examples of “failed” migrants, the majority will continue attempting to cross the border to find employment. Smuggling networks will remain in demand as long as the causes of departure, and the challenges around access to passports, are not addressed.

Deportations from Iran take place at the two formal border crossings in western Afghanistan: in Islam Qala a total of 26,732 Afghans were deported in 2002, and 28,311 in 2003. Deportees are mostly single men, with the majority picked up at the border or on their way to cities, and a smaller percentage arrested during “round-ups” in major urban centres in Iran. An increase in deportations has occurred since the passing of the Iranian government’s deadline for all unregistered Afghans to leave the country by the end of August 2002.⁸

Many Afghans return to Iran after being deported, in particular if the arrest has occurred immediately after entering the country. At this stage, migrants have not incurred any major costs (except psychologically and emotionally) as smugglers are often paid upon arrival. Deportees are also more inclined to try re-entering Iran to avoid returning home without having been able to send promised or expected remittances. For some men, however, the experience of deportation, which can include physical violence by Iranian police and forced labour, is so traumatic that they avoid ever having to go through it again.

Travel costs

The costs of getting to Iran are not only financial but can be emotional, in particular when deportation occurs or when smuggling enters the realm of trafficking – in which coercion, deception and exploitation characterise the travel and the period after arrival. If the migrant does not have any fellow travellers at the time of departure, nor support networks upon arrival, his vulnerability to exploitation is much greater.

The estimated cost of the trip from Faryab to Iran – including vehicle rent, commissions and bribes – is around US\$300, while the shorter journey from Herat averages US\$150–200. Experienced travellers, or those who are guided by a relative, are said to pay much less (US\$30–60). Most commonly the journey’s expenses are covered by a relative of the migrant, a brother or a cousin, who is already in Iran and had been given advance notice. Migrants are not released by the smugglers until the debt is paid, and if it needs to be earned in Iran by the migrant himself, it will take a minimum of two to three months’ unskilled construction work.

Without any form of social security once working, the costs and risks for Afghan migrants are significant. The lack of legal identity, labour contracts and insurance exacerbate migrants’ vulnerability, especially in the case of illness or injury. If forced to stop working, ill or injured migrants cannot afford health care and are likely to return to Afghanistan unless financial support is received from relatives or acquaintances. Moreover, migrants experience difficulties in accessing justice mechanisms in a context in which they already face discrimination, and in which they are often used as scapegoats in criminal cases. The emotional costs are apparent: many migrants experience a high degree of stress because of the risks of deportation, illness or injury, and legal problems – all of which is intensified by being away from their families.

⁸ UNHCR Herat, 2004, *Unaccompanied Minor Deportation Analyses 2002–2003*, Protection Section, Herat: UNHCR.

IV. The Informal Labour Market in Iran

Functions of transnational Afghan networks

Afghan labour migrants, partially because they come without their families, are able to move around relatively easily in Iran, receiving support from their relatives, neighbours, smugglers, remittance specialists (*hawaladars*) and employers (who provide work, accommodation and are likely to maintain working relations with Iranian authorities). At the same time, there is a fine line between assistance and exploitation of Afghans – among each other, between migrants and smugglers, or between Iranians and Afghans, as in the case of employers liaising with smugglers at the cost of labourers.

Ideally, relatives or friends in the different neighbourhoods of the migrants' arrival in Iran provide the initial care for new arrivals. They lend the money to pay the smuggler, offer a place to stay for the first couple of nights, and possibly make introductions to potential employers. The availability of acquaintances offers support and much-needed protection from incorporation into smugglers' exploitative networks. Besides networks of relatives and neighbours, roommates, who often tend to be from the same ethnic group or place of origin, can become a close-knit unit, providing company and assistance wherever needed in a country foreign to all of them. They share household responsibilities such as cooking, cleaning and washing, and in cases of illness they take each other to hospital.

Afghans' social networks in Iran function as sources of solidarity, credit, information on culture and practice in Iran, contacts with the labour market, and providers of initial accommodation as well as social and emotional support. These networks can be based on family connections, ethnic identity or acquaintances from the area of origin. Smugglers sometimes play an integral part in these networks, ensuring that money and news are brought to and from the migrant's home in Afghanistan, although the latter function is becoming less important with the use of mobile and satellite phones.

Iranian migration policy

In the 1980s, when Iranian authorities were focused on Islamic solidarity, Afghans were better accepted in the social fabric of their host country. Especially during the war against Iraq

and the ensuing reconstruction, Iran needed Afghan workers – even though the government wanted to avoid a Pakistan-type situation in which Afghans monopolised some sectors of the national economy.

Since the US-led international coalition forces intervened in Afghanistan causing the fall of the Taliban in late 2001, the living conditions of Afghans in Iran have deteriorated, especially for families. Increasingly the Iranian authorities are trying to limit their number, arguing that their home country is now peaceful. Regulation of the labour market became stricter, and building sites and factories hiring illegal Afghan workers are fined severely. Education and health services welfare, which were previously available to Afghans in Iran, have been progressively withdrawn.

The informal labour market

In practice, most migrants, despite varying causes of departure and aspirations, become labourers in Iran. Afghans are primarily employed as unskilled workers (the most common employment opportunities are construction work, digging ditches and agricultural jobs) while they find that many activities are forbidden to them (for instance, they are not allowed to open a shop). Migrants from some rural areas have established a pattern of first taking on agricultural work before moving on to other, better paid, jobs in construction. Irrespective of the kind of work, the jobs Afghans do in Iran are uninspiring and physically demanding.

Afghan workers are constantly moving around from one building site to the next. In this context, employment networks play a key role, and enterprising and competent individuals may be promoted to take charge of a work team. The foreman is usually an Afghan himself and is responsible for the hiring of workers. The Iranian employer allows him considerable leeway and, as long as things are running smoothly, does little to intervene in the everyday organisation of work. The workers form temporary groups around a central leader, and it is the relationship of each individual with that figure which is critical. The members of the team are not necessarily related through existing networks, since the sources of their relationships with the foreman may be diverse: paternal kinship, maternal kinship, kinship through marriage,

neighbourhood circles in the village of origin, and so on.

Afghan labourers in the context of the Iranian economy

Iranians have a mixed feeling towards Afghans. On one hand, the media periodically points them out as being a cause of insecurity and taking employment opportunities from Iranians, even if the evidence for this is weak. But on the other hand, as the migrants mostly work outside the realms of official state administration, they constitute a flexible, cheap and highly productive labour source that is beneficial to the Iranian economy. It appears that many employers are prepared, therefore, to protect, stand guarantee and bail out their employees when they face problems with local and national authorities.

Iran's Afghan policy needs to be considered in the context of the country's string of economic collapses and modest upturns. The informal labour market has continued to develop strongly in spite of, or because of, these crises, and it is in this sector that Afghans have managed to create a niche for themselves. Despite its high levels of unemployment, the Iranian economy needs the help of these immigrant workers, who put up with low wages and have a reputation for hard work. In 1994–95, for instance, their labour contributed 4.4% to the Iranian GNP – a sum of several billion dollars. Furthermore, money is sometimes spent on jewellery and other presents to take

home to families in Afghanistan. Informal labour as well as expenditure patterns of Afghan migrants clearly contribute to the Iranian economy, though the full extent of this has not yet been studied.

Length and patterns of stay

Seasonal patterns of economic activity in both Iran and Afghanistan partially determine the departure and return of migrants. In spring, the need to cultivate the land draws more men of rural origin to their home areas, while in summer the number of travellers to Iran increases after the harvest, when no other work is available. In autumn and winter, migrants are more inclined to go home because of the decline in available construction work. However, other factors come into play as well, determined by family demands and major lifecycle events such as weddings.

A migrant is more likely to stay away longer when he is single. The first stay in Iran is often the longest (sometimes up to four, five or even more years), while married men tend to stay no more than two years at a time. In semi-urban Herat, unmarried men tended to stay for more than a year, while husbands opted for shorter trips, with some migrating annually or biannually. As it is more expensive and risky to travel to Iran than to Pakistan (where some Afghans go on a seasonal base for only a few months at a time), migrants tend to stay longer in Iran.

V. Income, Expenditure and Savings

Income and savings

Salaries are based on either daily rates or piecework, with the amount paid dependent on the kind of work, and the age and skill of the worker. Wages in Iran are at least twice those of a labourer in Afghanistan. An unskilled construction labourer can earn around 5,000–7,000 tomans (US\$5–7) per day and a skilled labourer around 8,000–10,000 tomans (US\$8–10); while a daily wage worker in Afghanistan earns 100–150 Afghanis (US\$2–3) per day and a skilled labourer around 300 Afghanis (US\$6), along with a greater degree of irregularity in work opportunities.

Migrants can save a relatively high proportion of their wage, as they only spend about 1,000 tomans per day on food and other basic needs.

On average, depending on the migrant's income and life expenses, about 70–80 percent of their income can be remitted to Afghanistan.

Remittances

Remittance flows are a critical source of external funding for developing countries. They augment households' income and increase the recipient country's foreign exchange reserves. In particular, when unskilled workers emigrate, the gain for their country of origin is clear: spending on consumption and investment generates positive effects; families are sustained; further depletion of assets is halted; and in some cases there is accumulation of assets.

In Afghanistan, remittances and savings from Iran constitute a significant way of providing for

Table 1. Costs, wages and remittances for migrants in Iran

Official cost of passport	1,160 Afs (US\$23)
Cost of passport quoted in rural Faryab	15,000 Afs (US\$300)
Cost of Iranian tourist visa	US\$30
Cost of Iranian business visa	US\$90
Smugglers' charges for travel from Faryab to Iran	US\$300
Smugglers' charges for travel from Herat to Iran	US\$150–\$200, or for experienced travellers it can be much less (US\$30–60)
Daily wages in Afghanistan	<i>Unskilled:</i> 100–150 Afs (US\$2–3) <i>Skilled:</i> 300 Afs (US\$6)
Daily wages in Iran	<i>Unskilled:</i> 5,000–7,000 tomans (US\$5–7) <i>Skilled:</i> 8,000–10,000 tomans (US\$8–10)
Hawala commission	3%
Hawala commission through smuggler	5%
Annual remittances from Iran	US\$500–1,200 (70–80% of income)

the basic needs of relatives staying at home, by directly enhancing their purchasing power and by covering debts that have been contracted in Afghanistan, as well as by repaying the larger investment made in sending one of its sons to Iran. Remittances are used for social reasons (dowries and weddings, alms for the needy and votive gifts such as a meal offered to relatives and neighbours); for household consumption (food, clothes, medicines); for investment (land, houses, cars); and increasingly – with the relative improvement of security in Afghanistan – to start a business (shop, workshop, transport vehicle).

The money is often sent to the head of the household, which is the father in those cases where the migrant is single. In other instances, the money is directly sent to the migrant's wife or mother (not only if she is a widow) or the oldest brother if the father has died. Sometimes

the amount is split and sent to different members of the same household. The average amount of remittances is US\$500–1,200 per year, while one mason indicated that he was able to remit US\$2,000 in one year. On average, remittances are sent four to six times a year, with a higher frequency for the provinces bordering Iran.⁹

In sum, remittances sustain families in their place of origin, and, in some instances when migrants have returned from displacement elsewhere, allow for sustainable reintegration. For most Afghans, migration is a coping strategy to maintain and diversify their assets, but also the corresponding money transfers play a crucial role in producing and reproducing social relations as they are the main means by which dispersed family members keep in contact and cooperate. Even debts may be seen as mechanisms of reciprocity – not only covering financial, economic and social needs, but also strengthening and maintaining social networks within and across borders.

The *hawala* system: costs and benefits

Since the attacks of September 11, 2001, the media has taken a new interest in the *hawala* system – all too often stressing the uses that terrorist networks have made of it. Although its boundaries may not be clear to the outsider, the money transfer system established by Afghan migrants must not be simply equated with international smuggling and money laundering networks. Such a viewpoint is inappropriate, because it discredits a practice that has limited the humanitarian disaster in Afghanistan. Operating outside of the control of both the Iranian and Afghan states, the informal *hawala* system is known for its efficiency in the absence of formal banking alternatives.

Remittance specialists, or *hawaladars*, provide a reliable, convenient, and cost-effective system of making international and domestic payments.¹⁰ The cost of money transfers through the *hawala* system and other informal money-transfer channels is generally lower than through formal channels; the system is

⁹ Estimates are based on remittance figures of migrants who have spent at least a year in Iran. If only one sum was remitted, or if the time period was not specified, then this figure was not used in calculating the average amount. Furthermore, some estimates might have been on the high side, possibly resulting in an inflated average estimate of annual remittances. See also Monsutti, 2005, *War and Migration: Social Networks and Economic Strategies of the Hazaras of Afghanistan*, New York & London: Routledge.

¹⁰ S.M. Maimbo, 2003, *The money exchange dealers of Kabul: a study of the hawala system in Afghanistan*, Working paper no. 13, Washington DC: The World Bank, 1.

therefore of benefit to those who occupy the lower echelons of Afghan society.

In 2004, *hawaladars* charged 3,000 toman per 100,000 toman (equivalent to a 3 percent commission) for transferring money from Iran to Afghanistan, while other channels such as smugglers sometimes charged even less. In Iran, some individuals were said to charge migrants the higher commission rate of 5 percent, acting as an intermediary between the migrant and the *hawaladar* and thereby increasing the costs to the labour migrant. Instances of swindlers posing as *hawaladar* have been reported. Despite the many advantages of this informal money transfer system, the fact that it remains outside official channels results not only in a fiscal loss for the

states but also the potential for abuse of the system and loss for migrants.

Some estimates suggest that in the 1970s, Afghans working in Iran or the Gulf states sent home \$100–\$300 million per year. This flow of money, already far from insignificant, sharply increased in both absolute and relative terms during the more than 20 years of war. The *hawala* system has enabled many families to feed themselves, and remittances are considerably larger, and much better distributed, than the total sum of humanitarian aid. The social dimension of the money transfers may also be highly significant, as they play a crucial role in maintaining and developing social relations despite the prevailing dispersion and insecurity.

VI. The Way Forward: Migration as a Key Livelihoods Strategy

Migration is not only a response to war, insecurity and poverty, it is also a positive livelihoods strategy. It is therefore critical not to think of this phenomenon as transitory or temporary. Transnational networks and the remittance system established by Afghans are of practical importance for the policies of government, neighbouring countries and the assistance community. They play an under-appreciated but crucial role in the reconstruction of Afghanistan, and no attempt to rebuild the country sustainably can afford to ignore them.

The people of Afghanistan have shown proof of inventiveness and dynamism in their development of effective social strategies in the face of conflict and economic hardship. Migrants actively contribute to the livelihood of their families and to the reconstruction of their home country. More generally, the system of migration and remittances makes it possible for geographically dispersed networks to maintain strong social relations.

Afghan movement blurs the boundary between forced and voluntary migration, as the social strategies of people labelled as refugees and those of economic migrants are sometimes very similar. There is a very real necessity to look beyond the three solutions to the refugee problems recommended and promoted by UNHCR: voluntary repatriation to the country of

origin, integration in the host country or resettlement in a third country.

Without denying the importance of protecting and assisting the most vulnerable people, a more comprehensive solution is urgently required – one that takes into account the strategies developed by the Afghan population in which people move back and forth between Afghanistan and its neighbouring countries.

Even if the causes of migration are addressed to the greatest extent possible in Afghanistan, and the Government of Afghanistan is able to gradually provide more effective, authoritative and democratic guidance, migration will undoubtedly continue because of population growth, the underdevelopment of the country, persistent lack of rule of law, and potential natural disasters, as well as corresponding demands of the neighbouring countries' economies.

To eliminate the costs – financial and otherwise – to Afghan migrants who seek work in Iran, while ensuring both individual and state security, the following recommendations are made.

- The issue of Afghans migrating to seek labour elsewhere should be recognised by both the government and the assistance community as a key livelihoods strategy, and an important factor in the

- reconstruction of Afghanistan as a whole. Despite changing political and economic conditions, migration persists as a consequence of many years of conflict and drought, and it will continue to do so in the foreseeable future.
- A continued strengthening of bilateral relations between Afghanistan and Iran should include the establishment of a legal labour migration framework and an increased presence of the Afghan government in Iran (including the involvement of the Afghan Ministry of Labour and Social Affairs). Such a framework should facilitate formal labour migration and provide a clear legal identity and legal rights for labourers. There should be a policy shift from limiting migration to managing migration – with both governments reaping the shared benefits of greater international labour mobility, and avoiding the negative effects of people smuggling and corruption.
 - The Afghan government must improve the transparency of its administration and ensure increased access to passports able to be obtained formally, without bribes.
 - An increased awareness of the contribution, both in labour and otherwise, of Afghans to the Iranian economy would help to reduce discrimination against Afghans in Iran.
 - Although the case of Afghans migrating to their neighbouring countries tends to blur the boundaries between what is internationally recognised as “refugee status” and labour migration, it is critical to remember that there are still vulnerable people who need to be protected and assisted. In line with international conventions, refugee protection must be upheld, and a screening mechanism for potential refugees must be established.

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 NGOs.

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