DWINDLING INDUSTRY, GROWING POVERTY: Urban Livelihoods in Pul-e Khumri

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March 2006

Funding for this research was provided by the European Commission (EC).
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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).

Current funding for AREU is provided by the European Commission (EC), the United Nations Assistance Mission in Afghanistan (UNAMA), the United Nations High Commissioner for Refugees (UNHCR), Stichting Vluchteling and the governments of the United Kingdom, Canada, Denmark, Norway, Switzerland and Sweden. Funding for this research was provided by the EC.
Acknowledgements

I would like to thank the many people who made this study possible.

Foremost, thanks go to the local communities and households in Pul-e Khumri who shared their time and knowledge with us and whose experiences and accounts form the basis of this paper.

Many thanks go also to Mr. Qazi Aynuddin from the Aga Khan Foundation, whose logistical support has been overly helpful and very much appreciated.

Further thanks go to the whole hard-working research team travelling to Pul-e Khumri, namely Saghar, Fauzia, Anil, Baser and Mamiko.

Finally, I would like to thank Paula Kantor for her useful comments on drafts of the paper and to Brandy Bauer for the final editing.

Stefan Schütte, March 2006
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Glossary

Afghani (or Afs)  official Afghan currency; approximately 50 Afghanis=US$1
bokhor va namir  refers to a “hand to mouth” existence
gharibkar  work activities carried out by the poor
mirab  village/community water controller
shura  local/community council
wasita  relations to powerful people
wakil-e gozar  neighbourhood representative
zor abad  literally, “a place taken by force”, refers to informal settlements in Pul-e Khumri

Acronyms

AREU  Afghanistan Research and Evaluation Unit
GoA  Government of Afghanistan
IDP  internally displaced person
NGO  non-governmental organisation
1. Introduction

All major cities in Afghanistan have experienced a significant growth in their population during the last decade. This trend is ongoing, with estimates expecting a doubling of urban populations by the year 2015. Given these accelerated urban growth rates and the attendant challenges they pose for urban planning and urban management, astonishingly little is known about the actual situation of urban residents in Afghanistan, and the realities in which poor urban dwellers have to lead their lives.

The Afghanistan Research and Evaluation Unit (AREU) is carrying out an urban livelihoods research programme in three major Afghan cities to address this crucial knowledge gap. The research attempts to develop a detailed and comprehensive understanding of the diverse livelihood strategies of the urban poor and vulnerable, and how and why adopted strategies change over time. This is done with the overall objective to inform a policy formulation process that builds on the capabilities, needs and priorities of poor and vulnerable urban populations and to assist aid actors to develop appropriate, effective and practical interventions that strengthen the livelihoods of the urban poor. To achieve these objectives, AREU is conducting long-term research documenting the changing livelihood strategies of poor urban households in the cities of Kabul, Jalalabad and Herat over the period of one year.

The present case study on the livelihoods of the urban poor and vulnerable in the central city of Pul-e Khumri is complementing this ongoing long-term livelihoods research. It is based on 10 days of field research among poor urban communities and households in Pul-e Khumri that focussed on five basic themes:

1. **Access to services**: identifying how access to basic services (i.e. water, health, education, housing and land) is carried out on the community and household level.

2. **Urban labour markets**: exploring the sources of livelihoods and types of work followed in different urban communities and the conditions posed by urban labour markets.

3. **Exposure to risks and response strategies**: identifying the most frequent (and burdensome) risks to urban livelihood security in Pul-e Khumri from a community and household perspective, and investigating how people cope with those risks.

4. **Asset portfolios**: exploring the shape of asset portfolios among different urban communities and households and relating them to risk experiences.

5. **Urban governance from “below”**: investigating means and scope of interaction between communities and the municipality and identifying the barriers to effective community participation in urban governance issues.

These themes have been addressed during group discussions and by practice of “participatory urban appraisal” research techniques with poor urban communities and by means of detailed household interviews in different parts of Pul-e Khumri.

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2. See also Schütte, S., 2006, *Poor, Poorer, Poorest: Urban Livelihoods and Vulnerability in Mazar-i-Sharif*, Kabul: Afghanistan Research and Evaluation Unit for a similar case study on the northern city of Mazar-i-Sharif.
In addition, discussions with members of community shuras (local councils) and wakil-e gozars (neighbourhood representatives), as well as interviews with members of the municipality and non-governmental organisations (NGOs) working in the city, provided important contextual sources of information.

After a brief overview of the city of Pul-e Khumri and an introduction to the methodology used, the findings of the study and their implications for policy and practice are discussed.
2. The City of Pul-e Khumri

The city of Pul-e Khumri forms the urban centre of central Baghlan Province. Estimations of its population differ widely, ranging from 61,000 (Afghan Statistical Yearbook 2004) to 200,000, and like most other urban sites in Afghanistan, the city experienced a significant growth of its permanent population due to an ongoing influx of returned migrants. Economically, Pul-e Khumri is dominated by small trade and some industrial production. It is the central marketing place of agricultural products from rural Baghlan and the neighbouring province of Samangan, and at the same time the city hosts a number of functioning factories providing some employment opportunities. Dominant among those factories is the government textile production facility, which has been operational for roughly 60 years. In fact, it was this factory that came first, attracting workers from all over Afghanistan, and in its wake the originally tiny settlement of Pul-e Khumri gradually developed into a greater urban area, eventually encompassing surrounding villages in the process. Today, however, industrial textile production in Pul-e Khumri faces many difficulties. Growing competition in the domestic market, largely deriving from Chinese imports, led to a decline in production and consequently to a dismissal of a majority of the workforce. Once giving secure employment to about 3,000 workers, the factory currently has no more than 600 permanent staff, and the situation in the other production sites in town, such as the cement or the charcoal factory, does not appear to be more favourable.

As such and despite the existence of such production sites, the situation in Pul-e Khumri generally mirrors the situations in other Afghan cities, with the majority of the urban poor and vulnerable populations relying on the casual labour market as their major source of work, and insecurity of income and high unemployment rates representing dominant features of their livelihoods. And as is the case in other urban sites, most poor and vulnerable households in Pul-e Khumri are excluded from access to basic services and infrastructure while experiencing insecurity of tenure at the same time. This is particularly evident in the various hillside communities that stretch along the long and narrow valley on both sides of the Pul-e Khumri River. Accordingly, it was estimated by the head of Pul-e Khumri’s municipal engineering and planning section that 85 percent of the occupied land in the city does not retain a formal status. This estimation, however, is based on the nearly 50-year-old plan that exists for the city, established for a population of 20,000, which in spite of recognition by officials as being utterly outdated is still being used for lack of alternatives. However, in the absence of a clear land policy the informal settlements of Pul-e Khumri are acknowledged by the municipality for the time being, but the erection of new buildings in those neighbourhoods is prohibited and controlled by local wakil-e gozars. Only limited efforts have been undertaken to extend basic

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4 This estimation was given by the mayor of Pul-e Khumri in an interview on 30 January 2006.
services to these areas, although in some settlements local communities have constructed wiring and transformer facilities for electricity.

Pul-e Khumri’s electricity supply is generated in town itself by means of two hydro-electric power installations; access is, however, highly seasonal and fluctuating, does not extend to the entire city yet and is not affordable by a significant number of the population. Likewise, access to private water is a luxury for most, and a huge number of dwellers are obliged to use unclean river or canal water, posing great risks to their physical well-being. In terms of governmental health care there are two insufficiently equipped clinics present in the city, one accessible to the general public, and one attached to the textile factory. However, both clinics enjoy a rather dubious reputation, and people who can afford to seek private health care.
3. **Methodology**

This study is based on 10 days of fieldwork and as such is necessarily limited in its breadth. However, in-depth findings from 10 group discussions and participatory urban appraisal activities with both men and women in five selected urban communities, as well as 64 individual household interviews in those communities, are able to shed a focussed light on the situations of poor and vulnerable dwellers in Pul-e Khumri, and the livelihood strategies they exercise.

The urban communities serving as the main informants for this study have been identified with the help of local counterparts – through discussions with local and international NGOs, members of the municipality, as well as with support of wakil-e gozars. Thereby, the research team selected five communities in which to implement the approach. In each of these communities, two groups of 10 to 20 men and women respectively were assembled with support of community members and neighbourhood representatives to hold focussed discussions that addressed the main research themes. Although usually spontaneously assembled, it was felt that these groups represented a fair cross-section of each community in terms of ethnicity and wealth status.

The gendered group meetings took place in parallel in private houses of community members, and their thematic organisation included:

- Mapping of the neighbourhood and its infrastructure;
- History of the neighbourhood;
- Assessing perceptions of poverty and wealth differentiations in the neighbourhood;
- Mapping livelihood activities and opportunities;
- Mapping of problems and their roots and effects; and
- Assessing risks and coping strategies.

Many of these themes were addressed in a participatory way, where community members took over the pen to draw maps of their neighbourhood, and they themselves identified, discussed and ranked their problems, and talked over economic and social differentiations inside their community. As such, people largely conducted their own analysis of their activities and living environment, which was only facilitated by the researchers.

Separate male and female group discussions were conducted to understand to what extent and in regards to what issues men and women had different perceptions of the key themes of the study, but the researchers found that in this context there were few such differences. For instance, both men and women applied similar criteria to categorise local differentiations in well-being, and both identified identical problems in their community. Interestingly though, women groups in all cases spoke of a smaller number of households supposedly living in their settlement than did men, a fact which can be attributed to a perceived congruency of neighbourhood space and activity space among the women interviewed. These activity spaces enacted by women are smaller than, for instance, the area controlled

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<sup>5</sup> Deteriorating security in the city required the research team to leave five days earlier than initially planned.
by one wakil, or the size of the neighbourhood as it is perceived by men with their unrestricted mobility. Other gendered differences in perceptions will be referred to whenever appropriate in the thematic sections of this paper.

As a follow-up to these group meetings, which lasted approximately three hours, the research team returned to the same community the next day to conduct household interviews that serve as specific case studies and exemplify the points made during the group exercises. These interviews were guided by a questionnaire, which assessed household structures and composition, asset and activity portfolios, credit relations, household risks and coping strategies, migration histories, as well as household aspirations in 64 individual cases. In addition, interviews with the wakils of each neighbourhood were conducted to assess the roles and responsibilities the community representatives take on at the neighbourhood level, and in what ways they interact with the municipality. The team also took part in one neighbourhood shura meeting, which was carried out to select a new neighbourhood representative.

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6 Due to time and security constraints only six household interviews could be accomplished in one of the studied settlements.
4. Living Contexts and Livelihood Activities in Pul-e Khumri

Urban livelihoods are complex, and their analysis needs to take into account a variety of factors. This study approached the subject with a focus on urban communities and household activities. By drawing on the findings from community discussions and household interviews, this chapter provides a detailed overview about how poor and vulnerable urban dwellers’ strive to make their living in the city, what contextual constraints they encounter and what activities they are able to pursue.

4.1 Contexts: urban communities and access to services

Pul-e Khumri is a diverse place in terms of community composition, and the research aimed to capture that diversity through a deliberate selection of settlements in which to study. As such, the sample consists of one settlement of returned refugees, all of them being of the Shiite sect (settlement 5), one settlement on the town’s periphery that has been encompassed by the city in the process of urban growth (settlement 1), one settlement of Hazaras who fled war atrocities some 20 years ago and established their own hillside community without having a formal status (settlement 4), another hillside settlement with insecure tenure consisting of a mixed population of Pashaie and Tajik people (settlement 2), and one settlement of textile factory workers and their descendants who live in government-provided housing with all basic facilities. As such, the settlements are largely made up of distinct communities, providing insights into specific life situations and exemplifying differences and similarities that exist among the poor and vulnerable living in Pul-e Khumri.

Table 1 on the next page provides an overview of the central characteristics of each neighbourhood.

4.1.1 The study communities

Settlement 1: This neighbourhood is located on the outer fringes of Pul-e Khumri, quite a distance away from the city centre. It consists of about 1,000 households predominantly of Tajik origin, many of them recently returned refugees, although a good number of those who returned were natives to the area. Others were able to encroach upon land near the mountainside and to construct their own makeshift housing in that less accessible area. Likewise, some newcomers and a number of internally displaced persons (IDPs) settled in tents (~50 households), and a significant proportion of the overall dwellers live on rent (~150 households).

The settlement has an early origin and apparently was established long before the city of Pul-e Khumri developed its current shape; according to participants in the group discussion, this occurred some 60–80 years ago. In fact, it was an independent village for many years, and only during the period of the Najibullah government was the place suburbanised and included into the administrative domain of Pul-e Khumri.

By vulnerability is meant a condition in which people face a high risk of experiencing serious forms of deprivation that threaten their well-being, and a limited capacity to cope with those threats. Although vulnerability is very closely connected with poverty, they are not the same thing. Vulnerability reflects a state of being characterised by a certain degree of probability – the probability not to be able to cope adequately and to become poor in the future. The inclusion of a time factor is an important aspect distinguishing vulnerability from poverty, and whereas the poor are usually among the most vulnerable, not all who are vulnerable are poor.
City. However, there is almost no basic infrastructure in place. The rather spacious settlement has no health care facility, requiring people to traverse huge distances to access a doctor or a clinic. Land is allocated for schooling, but no solid building has been erected, although there are a few tents that provide space for basic education of children. Private supply of potable water is just not present, and people have to rely on the nearby river that crosses the city for provision of (polluted) water. Likewise, the whole neighbourhood is excluded from access to the local power supply network, as people so far were not able to pool for poles, wiring and transformers. A few who can afford it run generators. Tenure appears to be secure for most original dwellers of the former village, who inherited land and housing from their forefathers, and the municipality seems to acknowledge their property in spite of people not having any formal documents.

Table 1. Characteristics of the studied neighbourhoods

<table>
<thead>
<tr>
<th>Settlement 1</th>
<th>Settlement 2</th>
<th>Settlement 3</th>
<th>Settlement 4</th>
<th>Settlement 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 60–80 years old</td>
<td>• 16 years old</td>
<td>• 60 years old</td>
<td>• 20 years old</td>
<td>• 4 years old</td>
</tr>
<tr>
<td>• ~1000 households</td>
<td>• ~110 households</td>
<td>• ~1,200 households</td>
<td>• ~100 households</td>
<td>• ~52 households</td>
</tr>
<tr>
<td>• Majority in own, often makeshift housing</td>
<td>• Majority in own, often makeshift housing</td>
<td>• All in government housing, in most cases gradually extended</td>
<td>• Majority in own, often makeshift housing</td>
<td>• Majority in own and very makeshift housing</td>
</tr>
<tr>
<td>• Mixed ethnicity, majority Tajik</td>
<td>• Mixed ethnicity, majority Tajik and Pashaie</td>
<td>• Mixed ethnicity, majority Tajik</td>
<td>• Tajik (Ismaili) and Hazara settlement</td>
<td>• Tajik (Ismaili) and Hazara settlement</td>
</tr>
<tr>
<td>• 3 self-built mosques (1 major, 2 minor)</td>
<td>• Self-built mosque</td>
<td>• Six hand pumps</td>
<td>• Self-built mosque</td>
<td>• Mosque in a tent</td>
</tr>
<tr>
<td>• No access to potable water – need to fetch from river</td>
<td>• Water supply system provided by NGO (shared with other settlements)</td>
<td>• 6 hand pumps provided by NGO, 3 ceased working. Supplemented by river water</td>
<td>• No water access — need to fetch from unclean stream. Construction of shared water supply system by NGO underway</td>
<td>• No access to potable water – need to fetch from river</td>
</tr>
<tr>
<td>• No electricity</td>
<td>• Limited electricity supply</td>
<td>• Electricity supplied by government</td>
<td>• No electricity</td>
<td>• No electricity</td>
</tr>
<tr>
<td>• School in tents</td>
<td>• School in tents</td>
<td>• 2 schools and teacher training centre</td>
<td>• School in tents</td>
<td>• School in tents</td>
</tr>
<tr>
<td>• Health care facilities far</td>
<td>• Health care facilities far</td>
<td>• Free health care facilities in immediate vicinity</td>
<td>• Health care facilities far</td>
<td>• Health care facilities far</td>
</tr>
<tr>
<td>• Secure tenure (suburbanised village)</td>
<td>• Insecure tenure (encroached land)</td>
<td>• Secure tenure (government colony)</td>
<td>• Insecure tenure (encroached land)</td>
<td>• Insecure tenure (encroached land, but permit given by governor)</td>
</tr>
</tbody>
</table>

Settlement 2: This neighbourhood is one of numerous neighbourhoods that are located close to each other on a steep hillside on the west side of the river. Mountainous land was encroached upon and the settlement founded about 16 years ago initially by 10 households, both Tajik and Pashaie originating from Parwan and Kapisa Provinces respectively. A participant in the women’s group explained:
Those who came first captured a lot of land. After, they brought their relatives and gave them some piece to build their house on, and some of them sold land to other people as well.

This way, the population gradually increased to the current number of 110 households, most of them being Tajik and Pashaie (each about 45 percent), the rest of Pashtun origin.

There is provision of electricity in the settlement, with people themselves having partly contributed to the instalments. However, about 20 percent of households cannot establish access because of too high running costs. Water is available locally since one international NGO constructed a sophisticated water distribution system, where water is pumped up from a spring to a tank on the hilltop and then channelled to publicly accessible water-taps, each serving approximately 20 households. The whole system is shared among six hillside communities, and there are two mirabs (community water controllers) paid by the community, who take care of its proper functioning and who collect money from all hillside dwellers in case repairs are needed. However, water flows only a very short time period every day, and people actually keep going downhill to the river with their donkeys to fetch water. There is no proper school building, although tents have been erected very recently to serve as a school shared among a number of hillside communities. Quality of education, however, is perceived to be rather bad due to lack of qualified staff, and apparently there is no female teacher. Still, before the local facility was established, almost no children in the community went to school because of the distance, but today the majority of families send their offspring, both girls and boys, to receive basic education.

Settlement 3: This settlement is populated by current and former workers of the textile factory and their families, and it is one of the primary neighbourhoods in Pul-e Khumri, with its housing stock provided by the government. In fact, along with a few other neighbourhoods erected for factory workers around the same time it may stand for the origin of the whole city, as Pul-e Khumri developed into an urban place mostly because of the textile plant that in its now roughly 60 years of functioning attracted many labour migrants from all over Afghanistan.

People originally were provided with rather small houses with a backyard, which in time and with a growing population were extended by dwellers to accommodate their growing families. Participants in the group discussions estimated that each of the approximately 300 houses of the settlement actually provide space for 3–5 households, most of which are family-related. The roughly 1,200 households are made up mainly of Tajik families (80 percent), the rest being Pashtun (15 percent) and Hazara (5 percent).

As a government settlement, people right from the beginning were endowed with some benefits: housing is free of rent and its occupation passed along through generations, people can access free health treatment in the textile factory hospital which is located in the immediate vicinity of the place, electricity is provided and there are two solid schools in the neighbourhood as well as a public bath, which is accessible only to men. Water had been fetched from a close-by adjoining river, but recently an international NGO installed six hand-pumps in the area, three of which have already ceased working. Thus and unlike all other settlements studied, most basic services are provided and accessible for all dwellers, though access to safe water continues to be a problem. It is somewhat unclear what would happen to the
housing stock if the textile plant were to close permanently. However, dwellers of the settlement are unaware of any eventual consequences, and in the beginning it was promised to them that those who work longer than 10 years for the factory will be allowed to stay in their houses.

**Settlement 4:** This settlement is almost entirely made up of Hazara households, along with a very small number of Sayed families. It is located on a hillside west of the Pul-e Khumri River and part of a larger Hazara neighbourhood of about 1,000 households stretching all over the mountain. The group discussion, however, was confined to the most remote hillside in the area, encroached upon approximately 20 years ago and comprised of 100 households who fled the war in their native places. The area was controlled then by a military check post, and people made small contributions in order to be allowed to settle and occupy the public lands. During the Taliban regime and preceding conflicts all of the settlers abandoned the settlement in order to escape the atrocities. They either migrated to Pakistan and Iran or to remote mountainsides, leaving the settlement deserted. Most houses were destroyed during this absence, and the reconstruction efforts after their return have been supported by an international NGO.

Not surprisingly given the remoteness of the place, service provision is non-existent. There is no clinic anywhere nearby, no provision of electricity and yet also no water, although an international NGO is currently constructing a water distribution system, similar to that in settlement 2, although not originating from spring water but from a deep well. Construction work is ongoing, and people need to go far down the hill to haul in water from a stream with their own or with rented donkeys. The community pooled money very recently to purchase tents that serve as school buildings, and some of the teachers are from this community and work on a voluntary basis. Although the land is encroached upon and has no formal status, the municipality seems to recognise the place for the time being, given that there is an agreement between the city’s administration and local neighbourhood representatives that no new land should be allocated for housing.

**Settlement 5:** This neighbourhood is located in close vicinity to settlement 1, on the outer fringes of the city. It consists of about 52 households; all of them returned together approximately at the same time some four years ago from Pakistan and now live in very makeshift housing, providing extremely insufficient shelter for the inhabitants, particularly in Pul-e Khumri’s cold winters. Most households are Ismaili originating from Badakhshan (37 households), along with some Hazaras (15 households) who live spatially separated in their own cluster of houses. The land on which the houses are built belongs to a government department, which initially threatened people with eviction and started demolishing some houses; only a permit gained from the governor of Baghlan gave dwellers the right to stay for the time being. People are now hopeful that eventually some village land will be allocated to them, although so far there is no clear indication as to when this might happen.

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8 Sayed families are those who claim direct descendance from the Prophet Muhammad.
As in settlement 1, access to services is non-existent. Water is fetched from the river, there is no electricity whatsoever, and the closest clinic is far away. A tent school is shared with people from settlement 1, and unlike all other studied communities, people from this settlement do not have a solid building for their mosque. In fact, they have not been granted permission to use the mosque in nearby settlement 1 due to their different religious affiliation as Ismailis, and apart from their children visiting the school tent, there appears to be no relation at all with their close neighbours. This already indicates the importance that social and religious belonging assumes for successful neighbourhood cohesion and how social borders widely determine the shape of social networks.

4.1.2 Access to services on the household level

Apart from dwellers of settlement 3 who are able to access services by virtue of their status as former or current government factory workers, all neighbourhoods studied in Pul-e Khumri face a severe backlog in basic infrastructure provision. Consequently, both men and women identified issues of missing service access as their most pressing problems in the group discussions, along with the high incidence of exclusion from regular employment. Whenever action is taken to provide services, however, people are willing to contribute resources such as time, labour and money. For instance, the provision of a water distribution system in settlements 2 and 4 was partly financed by the community, with each household contributing around 500 Afghanis to the purpose, and dwellers from the latter settlement also pooled money among themselves to purchase tents that serve as school buildings. Similarly, all studied communities self-constructed mosques in their neighbourhoods or, as is the case in settlement 5, pooled money for a tent that is used as a mosque.

Nevertheless, lack of basic infrastructure remains a serious problem all over the studied settlements, and in terms of households’ access and their responses to missing service infrastructure, the following patterns can be distinguished (see also Figure 1):

- **Water** is a pressing issue for most households studied, especially so in the hillside communities and remote neighbourhoods at the edges of town. In fact, all 64 households studied rely on public water for their consumption; nobody had any private water access. However, whereas people in

![Figure 1. Access to basic services among the households sampled](image-url)
settlement 3 find public wells and hand pumps in close vicinity to their residences and those living in settlement 2 recently have been provided with localised water access on their hillside (though it is restricted to approximately one hour per day), all others need to fetch their water from the river or canal. This poses serious health risks and distances are often very far and require huge time investments. In many cases also cash investments need to be pursued, for instance in a donkey that serves as a water carrier, which may turn out to be very burdensome (see Box 1). As such, access to safe water remains an issue also in neighbourhoods where provision has been partly arranged, but on the whole is still inadequate, since many still need to go for the river to haul in supplies in view of their restricted access.

- **Electricity** can be accessed by 24 out of the 64 interviewed households. However, most of these (16 households) are living in settlement 3, where electricity is provided by the government as part of the benefits available to textile factory workers. Eight households (out of 17) in settlement 2 access electricity by means of their ability to afford running costs, and interestingly all of those either have relatively smaller household units or multiple income earners. The entire settlements 1, 4 and 5 are excluded from power supply, with no wiring, poles and transformers yet provided, and there is no sign that any extension efforts to those neighbourhoods are going to be carried out in the near future.

- **Health care** represents another crucial issue, especially in view of the widespread reliance on unclean water for many urban households in Pul-e Khumri. It was common across all settlements that many (44 percent of studied households) attempt to access free government health care as their first choice, in spite of the widespread recognition that the quality of service is not very good and that there appears to be a chronic shortness of medicine available in these places. There are, however, only two possibilities to access government health care in Pul-e Khumri, both of which are located far away from most settlements studied, and local and more easily accessible health posts are yet to be established. Private doctors in contrast enjoy a much better reputation, and households who encounter more serious or chronic illnesses tend to use private health care facilities in spite of the higher expenditure required to do so (43 percent). About nine percent of questioned households reported that they are not able to take any action in case of an illness, since expenditures for medicine are simply not affordable for them.

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**Box 1. Difficult choices: roof or water?**

Dil Jhan lives on the upper hilltop in settlement 4 in a rather makeshift mud construction. He is a mine victim and cannot do any manual labour, and the main source of livelihood for this four-member household is derived from his frequent begging excursions to surrounding villages of Pul-e Khumri and occasional charity in kind from his neighbours. Getting water all the way up to his dwelling poses a major problem for his household, and he purchased a donkey to be able to cope better with the lack of close access. However, having had no savings and no means to access higher credit, he dismantled the roof of one of his two rooms and sold the wood to afford the animal, leaving the room in an uninhabitable condition. Now he occasionally rents out his donkey to a neighbour, but the money he earns from this is not sufficient to reconstruct the room.
Some of these households already had to suffer loss of children in consequence, as in a case encountered in settlement 4:

*My young daughter fell sick, and I went to the public hospital. I don’t know what her sickness was, but there was no medicine available in the hospital, and they sent me to a doctor for getting medication, but I did not have the money to buy it, and a little later she died.*

This strongly illustrates the high priority that needs to be given to improved access to high quality affordable health care facilities in poor urban areas, as well as underserved rural areas.

- **Education** is highly valued among all studied households, and whenever not too distant access is established, people tend to send their children to school. This is particularly evident in settlement 2, where school tents have been put into place only very recently. According to participants in group discussions, there were hardly any school-going children in the settlement before this happened, but the household-level data show that today almost every family with school-going children sends at least some of them to receive basic education. Altogether, about 73 percent (N=47) of all the studied households send some children to school, and about 73 percent of school-aged boys and 42 percent of school-aged girls visit an educational facility. This is a stark contrast for instance to the city of Mazar-i-Sharif, where these figures are much lower, mainly because of larger distances. This reasserts the fact that provision of proximate schooling is important to facilitate higher enrolment rates among poor urban households. A stark gendered divide in school attendance does remain, with one reason being that many of these local schools do not offer courses beyond the 6th grade and elder daughters are subsequently not given permission to traverse the larger distances to the next school. Likewise, lack of qualified female teachers in those institutions remains a serious problem.

However, there are also 28 households (~44 percent), in which a number of school-aged children are not able to access education. This is mainly because daughters were taken from school because they are required to perform reproductive household tasks (~44 percent of cases), sons dropped out because they work for an income (~28 percent of cases), or families cannot afford necessary investments (~17 percent of cases). Likewise, elder sons and daughters are often excluded for these very reasons, and in a number of cases higher priority is given to skill-building apprenticeships rather than education. In the words of one respondent in a household interview in settlement 2:

*I took my 13-year-old son from school and sent him to the carpenter shop, so that he can learn something which is helpful to make an income. Going to school gives us no returns, but now he is bringing a little bit of money back home as well.*

- **Land** in a majority of encountered cases had been encroached upon (in all neighbourhoods but settlement 3), and about 60 percent (N=38) of studied

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9 Note that 8 households in the sample do not comprise school-aged children

households managed to construct their own housing on those lands, which nonetheless often is in very makeshift condition. All 16 households interviewed in settlement 3 live in solid government provided housing and the rest either reside on rent (eight households) or on a charity basis (two households).

4.2 Perceptions: poverty and well-being from a community perspective

*God has given us five fingers. All of those are brothers, but they do not have the same size, they are different. It is the same with us – we are all Muslim brothers, but there are some differences among ourselves, even though we are all poor.*

This quote from a group discussion in settlement 5 nicely points out what has been a significant objective of all the discussions held with poor urban communities in Pul-e Khumri, namely to grasp the fine social and economic diversity that exists in each studied settlement, and to assess community-based criteria that explain how socio-economic differentiations manifest themselves in a given neighbourhood.

What are, then, these differences? To answer this question requires long debate in the community, since it usually proves to be very difficult to account for what in people’s view often are minor differences among what is perceived to be a generally deprived situation, experienced by all settlers living in a given settlement. Similar to what has been encountered in Mazar, people denied that there are wealthy people living in their neighbourhoods, and the presupposed categories of “poor”, “medium” and “wealthy” were rendered obsolete. When asked to define their own categories to account for differences in relative wealth, men and women alike spoke of “lower”, “middle” and “higher” placed households to avoid the term wealthy.

The research team then introduced what it learned

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**Box 2. The poorest: dwellers of settlement 5**

People living in settlement 5 are exposed to multiple hardships. They are both returned refugees, who escaped to Pakistan from atrocities committed by the Taliban government, and displaced persons, who do not have any belongings left in a certain village located in Baghlan Province, where they used to live for about two decades before seeking refuge here. Only since recently have they stopped living in tents and gradually erected their very makeshift mud constructions, which do not provide sufficient shelter during the harsh winter days. Nobody has more than one basic room at their disposal, giving way to cramped living conditions; nobody has been able to afford window glass or any valuable physical belongings, and all of the roofing of their houses is constructed from old and rusty iron goods. The latter points to people’s main livelihood activity: a majority of households in the settlement has to live on selling old iron traded for recycling. Since the houses are built on public ground, there is a constant threat of eviction, and in fact only an injunction of the governor who was approached by a community delegation to interfere on their behalf could prevent the demolishing of houses a couple of years ago.

Further, the health status of many children in the community is very bad, most likely due to lack of adequate shelter and the reliance on unclean river water for consumption. In fact, many households already lost members due to untreated sicknesses, and the latest case happened during the time of fieldwork, when a 37-year-old person died of an unknown disease due to his inability to obtain proper treatment and medicine.

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in Mazar, namely the typology of “poor”, “poorer” and “poorest”, and this in fact proved to be most useful in order to encourage people to talk about internal differentiations in their community.

Having eventually agreed upon different categories, people started discussing intensely what qualifies each of those. Interestingly, there were not many differences between the men’s and women’s discussions, with all of them focussing primarily on material and human issues, such as income security, education and good health, but less so on social indicators or issues of empowerment such as inclusive social relations, self-respect, independence, security or legal rights. Women were in all cases preoccupied with the health status of male income earners as a main distinguishing factor of relative well-being, indicating how this directly determines women’s own well-being, and across gender, household structures and compositions as well as the types of work people are able to access were identified as most important in defining different levels of livelihood security and vulnerability. The resulting definitions of well-being were, however, very much localised – for instance, the wealthiest household in settlement 4 is headed by a guard working for an NGO, whereas in settlement 5 those four households who own a donkey and a pulling cart are considered a little bit better off than the rest, while at the same time people of this particular neighbourhood did not include any household in the highest category.

Issues of vulnerability have been implicitly touched upon in two male discussions in settlements 3 and 4, when participants talked about the constant probability that households who may find themselves now in slightly better positions may revert to a lower status at any time, indicating their limited capacity to cope. This local understanding of vulnerability mirrors very much the academic discussion of the concept, where the likelihood of becoming poor and defenceless is described in terms of internal difficulties to cope with disruptions, crisis and stress without experiencing damaging loss.

The local appraisements by the respective groups studied do, however, overlap considerably across all study communities and thus can be aggregated to build a profile of poverty perceptions, as seen by participants in group discussions across all five study sites in Pul-e Khumri (see Table 2). What is apparent from this table is that poverty conditions mostly refer to a pervasive state related to unfavourable socio-economic situations to which people are exposed, for instance to the difficulty of finding secure employment, the heavy reliance on erratic incomes, or the specific shape of household compositions that do not allow them to cope effectively with those conditions. Aggregated across all sites, people estimated that about 61 percent of the households that are part of the studied communities fit these poverty conditions. Twenty-six percent are those who can be considered vulnerable, as they may have some means to make their living but are in permanent danger to revert, and a mere 13 percent are considered to be better off, mainly due to having secure, more diversified and regular sources of income and higher endowments with physical and human assets, as well as vertical social relations that bridge beyond their own community.

In each discussion, people estimated the share of households that fall into each category. In Table 2, these estimations have been aggregated to represent a picture of all settlements.
Table 2. Criteria established by communities to explain different degrees of wealth among households in their neighbourhoods

<table>
<thead>
<tr>
<th>Poorest (lower) (-61%)</th>
<th>Poorer (medium) (-26%)</th>
<th>Poor (higher) (-13%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Those who rely on workers with a disability or other chronic sicknesses</td>
<td>Those who are female-headed but have one young male breadwinner</td>
<td>Those who are government employees</td>
</tr>
<tr>
<td>Those households which are headed by widows without any male supporter</td>
<td>Those who have one breadwinner but many bread consumers (high dependency rates)</td>
<td>Those who have employment with an NGO</td>
</tr>
<tr>
<td>Those who can afford only one meal per day</td>
<td>Those whose livelihoods solely rely on work accessed at the crossroads</td>
<td>Those households whose head is in solid health</td>
</tr>
<tr>
<td>Those who cannot sustain their livelihoods without support from others</td>
<td>Those who solely rely on pulling carts or mobile vending</td>
<td>Those who have skills and can realise higher daily salaries</td>
</tr>
<tr>
<td>Those who do not have their own house and need to pay rent</td>
<td>Those who have productive livestock (not donkeys)</td>
<td>Those who have multiple male income earners</td>
</tr>
<tr>
<td>Those whose head of household is drug addicted</td>
<td>Those who have relations to wealthier people</td>
<td>Those who can access higher credits</td>
</tr>
<tr>
<td>Those who have many chronically sick members</td>
<td>Those who have some income currently but are in constant danger to fall back to the poorest category, for instance when hit by sickness of a breadwinner or when experiencing longer stretches of income loss during winter</td>
<td>Those who own a plot of agricultural land</td>
</tr>
<tr>
<td>Those whose main income derives from begging</td>
<td>Those who work as sharecroppers on others’ land</td>
<td>Those who have an own shop</td>
</tr>
<tr>
<td>Those who are never able to establish savings and live a hand-to-mouth living (bokhor va namir)</td>
<td></td>
<td>Those who have two wives</td>
</tr>
<tr>
<td>Those whose children are working instead of going to school</td>
<td></td>
<td>Those who are literate and have good education</td>
</tr>
<tr>
<td>Those who do not have any physical possessions</td>
<td></td>
<td>Those who have their own weaving stool</td>
</tr>
<tr>
<td>Those who cannot afford to buy new clothes</td>
<td></td>
<td>Those who can afford a TV</td>
</tr>
<tr>
<td>Those who never received education and who do not have any skills</td>
<td></td>
<td>Those who always have enough fuel in winter</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Those who have a generator</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Those who have good relations to more powerful people</td>
</tr>
</tbody>
</table>

4.3 Activities: urban labour markets and access to employment

Urban economies are characterised by an almost complete commoditisation of virtually all aspects of life and the steady need to generate sufficient cash for making a living. Subsistence production is scarce, and housing, food, health care, fuel and transport require ready amounts of currency, which puts constant pressure on poorer households to achieve an income that meets their needs. For the unskilled and less literate labour force, access to opportunities is largely limited to the heterogeneous sector of informal employment, which is characterised by high competition, unreliability, irregularity, low incomes and great seasonal variance. Informal employment includes self-employment in activities such as cart pulling or street vending, as well as home-based piece rate contract work and much wage labour, both skilled and unskilled. All of these attributes of informal urban labour
markets are facets of a singular issue: insecurity of work and income, rooted in the limited absorption capacity of a small and stagnant labour market that cannot support the growing urban population. This has been apparent in the city of Mazar-i-Sharif, and it is all the same for Pul-e Khumri, even with its more industrial history. The years of conflict and current intense global competition make restarting Pul-e Khumri’s industrial sector a major challenge, but there might be potential for revitalisation if an enabling environment for the regeneration of state-owned enterprises such as the local textile, charcoal or cement plants can be created. It is beyond the capability of this study to determine what such an environment would look like, be it driven by privatisation or by retaining them under a reformed public ownership, but given the positive impact a larger number of secure employment opportunities would almost certainly yield for the poor and vulnerable urban populations in Pul-e Khumri and elsewhere, there is surely need for concerted action to assess the possible strategies for effective employment generation through utilisation of existing industrial infrastructure.

It was found that in all but one of the settlements studied, one specific type of occupation was predominant and thus of particular importance for the community. This is unlike what has been found for instance in Mazar-i-Sharif, and while it shows that sometimes communities are able to monopolise an occupation and thus to widely rule out competition, this often is the case in low-return activities and comes with a lack of diversification at the community level and a potential vulnerability to occupational downturns.

In settlement 1, the predominant occupation is digging and cutting stones in remoter mountain sides, which are used for construction purposes all over Pul-e Khumri. A significant number of households in this settlement rely on this heavy work, and those involved in the activity have to walk large distances to find appropriate stones, since areas close to the settlement are already bereft of suitable materials. Stone cutting takes two forms: the younger and healthier of the community go deep inside the mountains with their tools to crush the stones and carry them to a makeshift road furnished by truck-owners who purchase the raw material. They are paid per truckload (400 Afs), with a group of five people managing 4–6 trucks a day. Older workers load the trucks for a daily wage of 200 Afs. About 68 percent of households in the settlement are involved in this type of work, and family members go in shifts and are often able to realise comparatively good incomes. However, weather conditions often do not allow for work in the mountains, so for a few months each year people have to cope with loss of income. As one person in a household interview stated:

*People from our neighbourhood don’t go to the crossroads for work, they go to the mountains. In the mountains there is always work.*

However, this statement refers to the current season when this work is available, as well as to a type of work that can be life-threatening: just recently, three persons died in the mountains during their work when they fell from a cliff. Still, the community prevents outsiders from entering this work in order to maintain its monopoly – for instance, people from the very proximate settlement 5 are not allowed to join the excursions to the mountains at all.

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Settlement 2 is the only neighbourhood studied with a very diverse occupational profile. Most are involved in irregular daily wage labour accessed from the crossroads or by word of mouth, and a significant number of households rely on self-employment activities such as selling homemade food in the central bazaar, mobile vending, or cart pulling.

As a settlement erected for workers of the government textile factory, it is not surprising that most households in settlement 3 rely on this regular employment activity. As such, there are a considerable number of households with secure and regular incomes, derived both from their salary as factory workers and from working in a government position (mostly as teachers). It is interesting to find such a high number of teachers in the community, which certainly results from a teacher training centre being located in the middle of the settlement, and the opportunities afforded those who secured a higher education as a result of stable incomes in the prior generation. Also more generally it is eye-opening to observe the positive effect a regular income may yield, even if it is rather low, as in the case of textile factory workers. Along with easy access to education and health care, residents have access to government provided housing, which some have extended and rented out rooms to those who lost their secure factory employment. As a result, a majority of dwellers in settlement 3 actually did overcome their exposure to poverty conditions and thus make up a significant share of those households that have been classified in Table 2 as having a “higher” standard of living. For instance, whereas the first generation of factory workers were nearly all illiterate, all of their offspring have been able to acquire good educations. Many followed in their fathers’ footsteps and literally “inherited” factory jobs. Others among the second generation dwellers in the settlement built on their education and moved on to work in government posts or managed to establish medium-sized micro-enterprises, such as mechanic or carpentry workshops. However, even if on a significantly smaller scale than in other studied neighbourhoods, poverty is still present in the settlement. Many households for instance had to readjust when the government-owned factory dismissed a high number of workers, which accounts for the relatively high incidence of casual wage labourers in the community (see Table 3). There is also indication from the household sample that fired ex-factory workers with unfavourable household compositions were quickly falling back into poverty after their dismissal and are now not able to securely maintain their household, showing once more the high significance that regularity of income flows assume and the insecurity that goes along with dependence on a single income source (see Box 3).

In settlement 4, a majority of households rely on home-based carpet weaving as their most important income source, which is a very tough and potentially health-threatening activity, usually carried out by a large number of family members and in almost all cases including small children. The contractor for this neighbourhood is a small company located at the foot of the hillside, and provides all necessary equipment such as tools, weaving stools and wool. Returns are very low and are accounted for in Pakistani Rupees: about 800–1,100 Rs are paid per metre of carpet,\(^{14}\) which needs three to four people working almost constantly for about two weeks to accomplish. However, there is a difference in remuneration when people own their own hand loom and are not charged a usage fee, in which case they get paid about 1,700–1,900 Rs. Only a mere five households in the entire settlement were able to purchase the productive asset and thus to realise higher income.

\(^{14}\) Approximately 60 Rupees=US$1.
In settlement 5, a large majority of households rely on trading iron, which they fetch from an old Russian army camp located approximately a two hours walk from the neighbourhood. Being excluded from the more profitable stone-cutting work predominant in settlement 1, the alternative is hardship. Since nobody has a wheelbarrow, people need to carry the heavy material on their backs, collect it until a sufficient quantity has been accumulated and subsequently transport it to a trader in the inner city, where they get paid 20 Afs per seven kg. As such, there are hardly more than 30–40 Afs to take home from each trip, and most households in the settlement have to rely on such a single andlowly remunerated source of income. In addition, the heavy nature of the work excludes the elderly, disabled or ill in carrying out this activity, often leaving out households with no grown up sons and headed by people who have no choice left but begging.

Table 3 below shows estimates by participants in group discussions as to how many households are actually involved in those different informal activities as their main income source in each settlement. It is apparent from the table that a vast majority of people rely on those informal work activities, which people referred to as gharibkar, literally meaning “work for the poor”.

**Table 3. Livelihood activities carried out in different settlements, as estimated by group discussion participants**

<table>
<thead>
<tr>
<th>Settlement</th>
<th>Livelihood Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Settlement 1</td>
<td>• Daily wage labour (overwhelmingly stone-digging) – 68%</td>
</tr>
<tr>
<td></td>
<td>• Self-employment – 26%</td>
</tr>
<tr>
<td></td>
<td>• Home-based work – 4%</td>
</tr>
<tr>
<td></td>
<td>• Govt. employee – 2%</td>
</tr>
<tr>
<td>Settlement 2</td>
<td>• Daily wage – 47%</td>
</tr>
<tr>
<td></td>
<td>• Self-employment – 43%</td>
</tr>
<tr>
<td></td>
<td>• Factory workers – 9%</td>
</tr>
<tr>
<td></td>
<td>• Government employee – 2%</td>
</tr>
<tr>
<td>Settlement 3</td>
<td>• Factory workers – 50%</td>
</tr>
<tr>
<td></td>
<td>• Daily wage – 29%</td>
</tr>
<tr>
<td></td>
<td>• Government employee – 13%</td>
</tr>
<tr>
<td></td>
<td>• Self-employment – 8%</td>
</tr>
<tr>
<td>Settlement 4</td>
<td>• Home-based work (all carpet weaving) – 45%</td>
</tr>
<tr>
<td></td>
<td>• Daily wage – 40%</td>
</tr>
<tr>
<td></td>
<td>• Self-employment – 18%</td>
</tr>
<tr>
<td></td>
<td>• NGO worker – 1%</td>
</tr>
<tr>
<td>Settlement 5</td>
<td>• Self employment (overwhelmingly trading of old iron) – 67%</td>
</tr>
<tr>
<td></td>
<td>• Daily wage labour – 13%</td>
</tr>
<tr>
<td></td>
<td>• Begging – 10%</td>
</tr>
</tbody>
</table>

The broad categorisation of livelihood activities carried out in the study sample can be further qualified as follows:

- **Daily wage labour**: Altogether 21 households (~33 percent) out of the sample rely on daily wage labour as their main source of income. This in a majority of cases is accessed via the crossroads, where every day a huge number of people wait for work opportunities. Competition is very high, since not only urban dwellers come and wait, but also people from surrounding villages.
“After I lost my job in the factory, life started to become difficult.” This experience was shared by a number of households in settlement 3. For instance, Nazir worked 20 years in the textile plant before he was fired three years ago. Since then he tries to support his seven-member household as a seasonal mobile vendor trading vegetables; his small sons started working as well. In winter he is usually unemployed, and his 14-year-old son becomes the household’s main income earner as a very lowly paid apprentice in a mechanic shop, while also going to school. The younger, 10-year-old son is a servant for a private family in another neighbourhood and works for two meals, thus saving on food expenditures. Last summer Nazir saved 3,000 Afs from his work as a vegetable seller, which he completely invested in wheat in order to maintain his family’s food security during the long winter. For him, losing his secure job in the factory meant sending his children to work and being exposed to food insecurity whenever he is unable to save money during the summer months.

Omid has a similar story. He also was dismissed from the factory 15 years ago, after 20 years of service and now works as a servant in a private clinic for just 30 Afs a day—a job given to him in the name of charity, as he is already half-blind. He and his wife had four children who all died due to lack of proper treatment, but they raise an adopted son given to them by his sister-in-law. Their basic means of living is charity—Omid’s wife used to work for a wealthy Hazara family in a different neighbourhood, but had to leave the job because her employer couldn’t afford her. They still receive regular in-kind gifts and virtually all their household belongings have been provided by their benefactor. For Omid, losing his secure job in the factory meant to start a life of total dependency.

Other families in the settlement lost their secure employment as well, but most were able to cope better because of more favourable household compositions, such as more income diversification. This is the case in the nine-member household of Shafiqa, a widow whose husband died five years ago. Initially her eldest son inherited his father’s position until his dismissal two years ago. Subsequently he started to work as a mobile vegetable seller and occasionally as a casual labourer. The household accumulated some savings during the time of permanent employment, and after the 18-year-old got fired from the factory they invested the money in a cow and the construction of a small booth in front of their house. Now Shafiqa is selling fresh milk every morning and is able to make an important contribution to the household income. However, the early death of their father meant for the eldest son and the eldest daughter a disruption of their education, with the son now being the main breadwinner, and the daughter the person responsible for performing reproductive tasks.
and stay in the countryside to work in the agricultural field for an in-kind payment. About 43 percent of household respondents living in settlements 2, 4 and 5 reported to have members seasonally working in rural areas, but findings from group discussions indicate that the actual number in each of those communities might be even higher than that. This illustrates the rural–urban links that are maintained in order to sustain livelihoods in urban areas.

- **Self-employment:** Nineteen of the individually interviewed households (~30 percent) in the study rely on a self-employment activity as their main income source. This very diverse category comprises activities such as selling homemade food, pulling carts, mobile vending, collecting and selling firewood, collecting recycling materials or carrying loads in the bazaar. The latter is essentially carried out by those who cannot afford to own a pulling cart or to pay the monthly rent of 300 Afs for it and thus have to do the work manually. However, all the different forms of self-employment observed in the study sample have in common low and irregular returns as well as problems to carry them out in winter. Many respondents who work as small mobile vendors also complained about harassment from officials, such as taking goods from their sales stock, which led some to give up their self-employment in favour of casual work. There is, however, no municipal policy in place that aims to ban small vending from the central bazaar. Rather, the municipality in the long term plans to relocate the fixed shops in the inner city to a more remote area in order to facilitate a quicker traffic flow, and even to distribute small huts for mobile vendors in the same place to generate a centralised marketing hub. However, these ideas are not likely to be carried out in the very near future and will almost certainly invite protests from affected shopkeepers.

- **Regular employment:** Activities related to regular employment are carried out by 12 households (~19 percent) in the sample and are most widespread in settlement 3, with its high number of factory workers getting hold of a low (2,000–2,500 Afs per month) but stable income. Similarly, all government workers in the household sample (N=4 households) live in this particular settlement. Other incidences encountered refer to guards or cleaners, the latter often getting paid no more than 50 Afs per day. It is interesting to note that all incidences of work for the textile factory as the biggest employer in Pul-e Khumri are confined to settlement 3, with an exception of rather few households in settlement 2 (see below). People from other neighbourhoods seem to be excluded — a fact which has been repeatedly referred to during both group discussions and individual interviews as being a matter of “missing references” inside the factory. There is evidence that factory posts are being handed down inside particular households, for instance when a son takes over for his retired father. Similarly, it appears easier to obtain regular employment in a factory if a known person is already working there. For people without such “references” it seems almost impossible to enter, and
This is even more so the case in view of the apparently declining need for labour force inside the textile and other factories in the city. This shows the high importance functioning social connections assume for seeking work opportunities. There are, however, an estimated 11 households involved in regular employment all over settlement 2 as well, with people being employed with the textile or cement factory. They get regular payments in their jobs as guards or cleaners, but are not entitled to the same benefits as the original workers living in the government settlements. Nevertheless, the regularity of their small incomes helps these households to plan ahead better, and in fact the three cases encountered in the household study sample of settlement 2 show households with comparatively more physical assets, improved housing conditions, and higher educational standards.

- **Home-based work:** This activity is predominantly carried out by women, and it represents the main income source for 10 of the studied households (~16 percent). In most cases this refers to the carpet weavers of settlement 4, and includes children and in some cases otherwise unemployed adult men as well, who enter this activity because they cannot access other types of work. Altogether, 23 households (~36 percent) have a home-based source of income, virtually all of which involve women. Apart from weaving carpets this includes spinning wool, so that the range of female work activities in Pul-e Khumri appears to be somewhat less than it is for instance in Mazar-i-Sharif. Looking at female income activities in particular settlements, however, reveals interesting differences. In fact, only settlements 1 and 4 have a significant share of women contributing to the household income and they make up virtually all cases encountered in the sample. In settlement 4 this is connected completely to carpet weaving and this community's connection to a contractor, but in settlement 1 the majority are found wool-spinning, and the high incidence of this activity in that specific neighbourhood is because the *wakil-e gozar* organised this opportunity through his relations to a local dealer for the benefit of his community. However, as is the case in most female income activities all over Afghanistan, remuneration is pretty low, and per day hardly 10 Afis can be earned by spinning wool. Other settlements do not have women working on a large scale, although in settlement 3 some households have higher educated women working as teachers in the local school (one percent of all households in the settlement). Apparently, in settlement 2 many women possess the skill of spinning wool, but participants in the group discussion complained about the lack of opportunity to work, in spite of their willingness to do so. Such was stated in the discussion:

> When we were in Pakistan we could work from home – our husbands brought back materials and we sewed towels. But here there is no work for us; there is only one woman in our entire settlement who occasionally does some tailoring.

Again, the ability for women to enter the household labour force on a greater scale seems to rest largely with already established business relations to a company or wholesaler, or the social relations a more influential person, such as the *wakil-e gozar*, is able to put into use for the community.

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Other income activities encountered on the household level assume less significance. Begging occurs infrequently as a main source of income; in fact only one household headed by a physically disabled person is involved in this activity (see Box 1). There are, however, more cases of working children contributing to household income. This is the case in altogether 18 households (~28 percent) and in some cases is done by means of lowly paid apprenticeships that generate some cash and build up skills at the same time. Even more widespread is the practice of involving still very young children in carpet weaving, as is the case all over settlement 4. In fact, virtually every household that is busy with carpet weaving relies to some degree on children doing the work.

Table 4 below provides an overview about these issues, including the average returns that have been reported for each type of livelihood activity.

Table 4. Livelihood activities carried out in the study sample (more than one activity allowed per household)

<table>
<thead>
<tr>
<th>Livelihood activity</th>
<th>No. of households involved</th>
<th>Average returns</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily wage labour</td>
<td>28 (36 individuals)</td>
<td>30–200 Afs/day; average 154 Afs</td>
</tr>
<tr>
<td>Self-employment</td>
<td>24 (31 individuals)</td>
<td>30–250 Afs/day; average 94 Afs</td>
</tr>
<tr>
<td>Regular employment</td>
<td>12 (12 individuals)</td>
<td>50–208 Afs/day; average 102 Afs</td>
</tr>
<tr>
<td>Home-based work</td>
<td>19 (48 individuals)</td>
<td>4–154 Afs/day; average 19 Afs</td>
</tr>
</tbody>
</table>

Access to these work opportunities in most cases is established by means of social relations. About 50 percent of the respondents said they found their current work with the help of friends, neighbours, relatives or their neighbourhood representative. Thirty-five percent reported that they accessed their work out of self-initiative, and the remainder usually found employment from the crossroads. However, high seasonality of most daily wage labour and self-employment activities along with the insufficient income they provide pose serious problems for most poor urban dwellers, and coping with total income loss in the winter months is a rather common phenomenon, which requires the ability to establish savings during peak seasons in order to maintain livelihood security, or to access longer term credit, which again requires links to social relations (see section 4.4.2).

Reflecting these issues, most group discussions identified the always lingering danger of unemployment as one of the most pressing problems affecting their communities, along with infrastructural backlogs and exclusion from access to basic services. What then are the causes and consequences of unemployment in Pul-e Khumri, as seen by people affected? These issues have been explored in the shape of “problem trees” during group discussions, which help to identify relationships between social, economic and political roots of unemployment as well as showing the multiple consequences arising out of this critical problem, as depicted in Figure 2.

One participant of the discussion in settlement 2 summarised the situation like this:
Unemployment makes you sick, because every day you have to think of work but you just cannot find any, and this leads you to use opium, because you just want to escape from thinking and your worries, and this in turn leads to trouble in your family. What you can do is either leave your family and migrate, but there is no guarantee that you find work elsewhere either, or become indebted. Or else, if you cannot do anything, then you have to get involved in criminal behaviour.

Interestingly, people do not directly blame the government for the difficult situations they have to deal with, but rather the socio-economic environment currently prevalent in Afghanistan, which does not provide many opportunities and leaves those who have to rely on “work accessible by the poor” (gharibkar) for their living with great difficulties.

Thirty-nine percent (N=25) of the studied households have to rely on a single income source, which shows the low rate of income diversification in urban households, making those affected particularly vulnerable to loss of income. Only two households in the sample have no male income earner at all. One of these relies solely on carpet weaving; the other does not have any income apart from occasional charity given to them by relatives and a room they rent out, which shows the crucial relevance the ability to use own housing as a productive asset can assume.

Figure 2. The problem tree of unemployment in Pul-e Khumri
As such, livelihoods of the poor and vulnerable in Pul-e Khumri largely rest on insecure, erratic and in many cases seasonal incomes, and there is high indication of widespread seasonal unemployment and loss of income over longer time periods. On a general level, the situation thus mirrors those apparent in other Afghan cities as well. However, there are a few specifics which seem particularly visible in Pul-e Khumri:

- **Existence of very dense rural–urban linkages:** Given the fact that Pul-e Khumri is a comparatively small city, it may not come as a big surprise that relations to the rural surroundings are rather solid. Village dwellers use the city for casual wage labour opportunities, and likewise city dwellers go out on a seasonal basis to access rural work in the peak harvesting seasons. Especially apparent is this reliance on a rural occupation in settlement 1, where a majority of people derive their means of livelihoods from cutting stones out of the mountains. The suburbanisation of some hamlets does contribute to these dense relations, and many of the city’s neighbourhoods are in fact still addressed as “villages”, as is the case for many hillside communities in Pul-e Khumri. In addition, 39 percent of respondent households stated that they regularly receive support such as food assistance from rural relatives.

- **Congruence of income activities and community belonging:** This is especially obvious in settlement 1, where people devised a means of protecting their stone-cutting activity in the mountains against outsiders in order to keep competition low. Similarly, the practice of carpet weaving in Pul-e Khumri seems to be predominantly carried out by Hazaras, although here no protective system needs to be implemented as this type of work earns no high returns, is very laborious and clearly confined to those lacking more beneficial alternatives. However, this low diversity of actual income activities as encountered in most settlements may bear the danger of increased vulnerability, for instance if a sector downturns, and it includes the possibility of decreasing access to credit or other support measures if income diversity in a given settlement is low.

- **Long-term access to textile factory work as a livelihood opportunity enabled households to cope better and to overcome poverty conditions:** This generally refers to the above mentioned positive correlation that exists between regularity of employment and the ability to achieve higher levels of livelihood security, as appears to be the case in settlement 3. Access to this employment opportunity is, however, very limited and mostly confined to those households who already have relations inside factories. Further, there has been a huge downsizing of the labour force in the last few years, leaving many workers unemployed and some even on the verge of destitution (see Box 2). Generally though, the generation of people who worked with the factory from its early years managed to build up comparatively stable livelihoods through investing in a range of livelihood assets and was successful in broadening life chances for their offspring.

### 4.4 Possessions: asset endowment of poor urban households

Focussing on assets means focussing on what people have, and on what they are capable of doing with what they have to secure their living in the city. The ownership, composition and mobilisation of asset portfolios consisting of social,
political, economical, ecological and personal assets are the basic means that strongly determine levels of resilience and responsiveness of households in the face of adversity. However, indication of widespread “asset vulnerability” prevalent in urban Afghanistan puts pressure on the capacity of poor urban households to cope with risks and events. Drawing on findings from the household survey, this chapter explores the shape of asset portfolios in Pul-e Khumri and the role different resources play for securing a living in the city.

4.4.1 Physical assets
Physical assets refer both to productive assets and to household assets. Productive assets include access to services and basic infrastructure such as shelter, water supply, sanitation, waste disposal, energy supply and transport, as well as tools and production equipment required for income-generating activities or enhancement of labour productivity. Household assets in turn refer to household goods such as kitchen utensils, furniture or clothing, but in particular to valuables such as jewellery or other saleable personal belongings. Housing in urban areas is certainly the most important physical asset that a household can possess, as it can be used productively and eases pressure on financial capabilities.

As is apparent from Table 5, most household respondents do have their own house, although quite often in very makeshift conditions that do not provide sufficient shelter; this especially is the case in settlements 4 and 5. This is because unlike in other neighbourhoods studied, the housing stock in settlement 4 was largely destroyed during the reign of the Taliban, and reconstruction efforts, although supported by an international NGO, could only gradually be taken forward. This is why in contrast to other settlements studied, living spaces are more crammed with an average of 4–5 persons having to share one room, and houses do not have windows, indicating lack of financial capacity since window glass is the most expensive supply for housing and usually the last thing people can afford. The same holds for settlement 5, where on average 5–6 persons share one room in very makeshift constructions, with nobody able to afford window glass. In view of their pressing insecurity of tenure people might also refrain from allocating their scarce resources for housing improvements. Dwellers of settlement 3 live in government provided housing, which most have extended by constructing self-built rooms over time. Although it is legally not their own housing, many dwellers have resided there a very long time and treat their residence as quasi-owned, which includes the possibility to rent out rooms.

Sanitation is another problem encountered by most households, and although a majority have a private toilet, this is not connected to any type of sewerage system, either public or private. Thus night soil is either being collected or flows openly in the alleys, both of which increase the risk of ill health. Those without a private toilet use makeshift public places protected by plastic wrapping and serving a number of households, and some even need to defecate in the open.
Table 5. Housing, services and basic amenities in the household study sample

<table>
<thead>
<tr>
<th>Settlement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>Total (n=64)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # of households in settlement</td>
<td>12</td>
<td>17</td>
<td>16</td>
<td>13</td>
<td>6</td>
<td>64</td>
</tr>
<tr>
<td>Own house</td>
<td>11</td>
<td>10</td>
<td>-</td>
<td>11</td>
<td>6</td>
<td>38</td>
</tr>
<tr>
<td>Rent house</td>
<td>1</td>
<td>6</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>8</td>
</tr>
<tr>
<td>Housing on charity</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>1</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td>Govt housing</td>
<td>-</td>
<td>-</td>
<td>16</td>
<td>-</td>
<td>-</td>
<td>16</td>
</tr>
<tr>
<td>Windows</td>
<td>10</td>
<td>7</td>
<td>15</td>
<td>3</td>
<td>-</td>
<td>35</td>
</tr>
<tr>
<td>Private toilet</td>
<td>6</td>
<td>14</td>
<td>15</td>
<td>12</td>
<td>2</td>
<td>49</td>
</tr>
<tr>
<td>Private water</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Electricity</td>
<td>-</td>
<td>8</td>
<td>16</td>
<td>-</td>
<td>-</td>
<td>24</td>
</tr>
<tr>
<td>Average # of rooms per household</td>
<td>1–2</td>
<td>2</td>
<td>1–2</td>
<td>1–2</td>
<td>1</td>
<td>1–2</td>
</tr>
<tr>
<td>Persons per room</td>
<td>3–4</td>
<td>3–4</td>
<td>3–4</td>
<td>4–5</td>
<td>5–6</td>
<td>~3–4</td>
</tr>
</tbody>
</table>

Respondents also were asked to list other productive and household assets which they currently possess, and to estimate their current sale value. Taking these estimations, Table 6 shows what limited physical resources people actually have – more than 70 percent (=45) of all households do not possess goods that together are worth more than 6,000 Afs, and some households possess virtually nothing of any value which could they dispose of in times of an emergency. All but one household have heaters, which in most cases is fuelled with scavenged material and bushes found in the mountainsides or streets of Pul-e Khumri.

Table 6. Physical possessions of study households and their estimated current sale value

<table>
<thead>
<tr>
<th>Value of possessions (Afghanis)</th>
<th>0–1,000</th>
<th>1,000–3,000</th>
<th>3,000–6,000</th>
<th>6,000–10,000</th>
<th>&gt;10,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of households</td>
<td>12</td>
<td>24</td>
<td>9</td>
<td>6</td>
<td>13</td>
</tr>
</tbody>
</table>

It is interesting to note that nine out of the 13 households who possess a higher stock of valuable belongings live in settlement 3, once more highlighting the fact that regular employment goes along with increased capacities and higher degrees of well-being. Also, there are two households in settlements 1 and 4 who invested in an own handloom, thus generating higher incomes from weaving carpets as returns on their investment.

Most physical possessions across all households studied include household assets such as carpets (50 households), radios (37), watches (39), TVs (13) and jewellery (9). Productive assets are not so widespread, but many had obtained sewing machines (17 households), pulling carts or wheelbarrows (18), poultry (18) or more valuable livestock such as donkeys (13) or a cow (1). Again, most luxury items such as a TV...
are owned by people living in settlement 3, whereas donkeys are present on a bigger scale when water access is too far away, such as is the case in settlement 4.

Lack of physical possessions has been referred to in group discussions as one possible marker for distinguishing different degrees of household well-being (see Table 2), not the least because ownership of valuables can serve as a means of security against risk. In fact, many households interviewed disposed of physical assets such as jewellery, livestock or housing at some point, in order to cope with income loss or emergency expenditures. As such, those who possess virtually nothing clearly are in more vulnerable positions than others. However, whether or not a physically defined “vulnerability line” (which takes values of physical possessions as a possible indicator for well-being) represents a feasible concept cannot be answered on the grounds of this particular research, but in many households, the missing stock of valuable physical possessions clearly indicates situations that leave not much room for manoeuvre.

There are some interesting correlations to observe:

- Fifty percent (N=32) of the household respondents have physical assets with a value below 2,450 Afs, and these include 66 percent of households (N=24) with casual wage labourers. Only three households with regular income sources are among these 50 percent; 12 households (39 percent) had self-employed and 28 households (58 percent) had home-based, sub-contracted workers.
- Twenty households have female workers, and out of these, 12 (60 percent) are in the lower half of households having assets whose sale value is below 2,450 Afs.
- Tajiks and Hazaras make up 87.5 percent of the household sample. Fifty-eight percent of studied Hazara households are in the lower half of observed asset values, whereas 57 percent of studied Tajik households are in the upper half.
- Out of the households having reported to have a major illness in the last year, 85 percent are located in the lower half of asset values, which might be partly due to the disposal of assets as a reaction to cope with sickness.
- Long-term residents of Pul-e Khumri tend to have more physical assets under command (59 percent in the upper half) than do IDPs or returnees combined (40 percent in the upper half).

4.4.2 Financial assets
Financial assets refer to the economic resource base in general, i.e. access to income opportunities, stocks that are at the household’s disposal and to regular inflows of money. In the urban context — characterised by commoditisation of virtually everything — these assets are indispensable for sustaining livelihoods. In addition, the capability to bridge times of emergencies and economic shocks such as those inflicted by seasonal unemployment and loss of income is highly dependent on a household’s capacity to accumulate money and keep savings. As already referred to, however, the current shape of the urban labour market in Pul-e Khumri can not accommodate a growing urban population, and therefore income opportunities are indeed very restricted. In addition, realised incomes are often not sufficient and are
certainly too limited in most cases encountered to maintain sufficient savings and to pursue even minor investments or to cope with health problems.

Given this apparent lack of sufficient income prevalent among poor and vulnerable urban households, other means of obtaining cash resources are critical. Trying to establish access to credit is the most prominent way people attempt to do so in Pul-e Khumri, illustrating once more the fact that credit is a major livelihood ingredient for sustaining urban livelihoods in Afghanistan. As it is, indebtedness is a very common phenomenon among the study groups, and altogether 88 percent (N=56) of the studied households currently have outstanding credit, with a median value of 8,500 Afs per household (ranging from just 40 Afs to 100,000 Afs with an average of 15,973 Afs per household). In fact, most respondents reported that they hardly experience any debt-free time, rather that they attempt to access multiple sources of credit in order to keep individual debts more manageable, to obtain higher sums, and at the same time to ease potential pressure on social networks that might go along with long-term credit relations. This is also reflected in the collected data, which show that on average two to three sources provide credit to each individual borrower. Reasons given for taking credit are manifold, reflecting the chronic shortness of reliable incomes even for basic means of living. It is striking that in most cases encountered, credit is taken to cope with sicknesses and for basic food consumption purposes, and in comparatively fewer cases for investment in assets or small businesses such as animal carts for mobile vending or in housing improvements. Figure 3 provides more detail as to how current credit is used in the household sample.

Figure 3. Share of households reporting taking credit for these reasons (n=56)

Sources of these credits are in the vast majority of cases relatives and friends (for 51 households), and it appears to be especially so for somewhat higher credits. Shopkeepers (35 households) and neighbours (33 households) represent the other two most important sources, but respondents asserted that usually only smaller amounts are accessible from these sources. Seven households in the sample access micro-credit provided by an international NGO, which have strict repayment schedules and also require payment of a service charge. All households reported to
generally have difficulties in repaying their debt, and these strict schedules often pose a problem and in a few cases led people to sell physical assets. A more common strategy is to get hold of informal credit at the same time, which then is used to return their debts to the NGO. Figure 4 below provides more details as to what sources are accessed in order to obtain credit.

Figure 4. Sources of credit for indebted households in the sample

4.4.3 Human assets

Human assets refer to knowledge, skills, formal education and good health. In the urban context, human assets are closely linked to the labour resources that a particular household is able to activate, in terms of number of household members in the workforce, as well as their educational background, skills, health status, age and sex.

As discussed in Section 4.1.2, access to education is comparatively high in Pul-e Khumri, mainly because in all neighbourhoods studied schools are located in immediate proximity. But only in settlement 3 does the educational facility have a solid building, whereas all others are set up in tents and are makeshift structures that do not provide very supportive learning environments and are closed during difficult weather conditions. Quality of education thus suffers from environmental conditions, leading people in all group discussions to demand solid edifices for their schools. Likewise, there seems to be a lack of qualified teachers, especially females, and in some cases educated people from a neighbourhood help out by teaching voluntarily. However, enrolment rates are relatively high when compared for instance with Mazar-i-Sharif, and subsequently most households in Pul-e Khumri send their children to school, particularly their male children.

In terms of skills that potentially enable people to access higher paid work opportunities the figures from the household sample are not so encouraging. As it is, more women than men were able to acquire specific skills (20.4 percent of women vs. 11.2 percent of men; see Table 7 for specific skills). These in most cases refer to carpet weaving as carried out by people in settlement 4, which in addition to wool-spinning is the only observed income activity carried out by women in the entire household sample. Strikingly so, about 62 percent of these female carpet weavers...
(N=13) are young girls aged 7–15 years, which shows the high reliance on working children this profession assumes. Spinning wool on the other hand does provide only minimal incomes: one kg of wool earns 20 Afs, which averages to a daily income somewhere between 4–10 Afs, depending on how much time a woman is able to allocate to the work along with having to perform reproductive household tasks at the same time. Other observed skills among women are not put into use for income generation, most often because of limited mobility and missing relations to potential employers.

Among men in the household sample who were able to acquire skills the situation is not very much different – carpet weaving is by far the most important skill observed in the sample, and 33 percent of those who acquired it are young boys aged 10–15 years, all of them living in settlement 4. Other skills like masonry, mechanics or carpentry are not very widespread among the sample population, which emphasises dramatically the low level of skills present among the urban poor and vulnerable in Pul-e Khumri. Still, it is acknowledged that acquiring skills is beneficial in view of the sometimes considerably higher incomes that can be realised in the casual wage labour market, and seven households managed to employ their sons in a mechanic or carpentry shop to enable them to learn a skilled profession, while obtaining a small income and food at the same time. All of those do successfully negotiate this skills-building activity with formal education.

Generally and as is the case in other Afghan cities as well, women’s skills generate much lower returns then men’s, although for skilled labour in men’s professions the ability to find occupation remains difficult. The best option for a skilled worker is to open his own shop, but for the urban poor with limited financial capacities this is almost impossible. The gender difference in the returns from skills likely reflects both the means through which women enter the labour force, with women more dependent on home-based work often obtained through sub-contracting, and the different perceptions of women’s work-related skills, which often are closely linked to their household work and thus less valued.

**Table 7. Skills observed in the household sample**

<table>
<thead>
<tr>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 Carpet weavers</td>
<td>21 Carpet weavers</td>
</tr>
<tr>
<td>3 Masons</td>
<td>Spinning wool (many)</td>
</tr>
<tr>
<td>2 Mechanics</td>
<td>6 Tailors</td>
</tr>
<tr>
<td>2 Well diggers</td>
<td>3 Embroidery workers</td>
</tr>
<tr>
<td>1 Tailor</td>
<td>1 Quilt maker</td>
</tr>
<tr>
<td>1 Carpenter</td>
<td></td>
</tr>
</tbody>
</table>

Another critical human asset is health, especially in a context where one’s own physical ability to work represents a crucial factor for well-being. Temporary ill health or chronic diseases decisively influence livelihood strategies and levels of vulnerability, especially when household members constantly need care and medical treatment, or when a main breadwinner is sick and households need to cope with income loss (see Box 4). This has been referred to also in group discussions and became especially apparent through women’s fixation on the health of a breadwinner as a major determinant of well-being. The human asset of health thus turns out to be a major determinant of household vulnerability. Susceptibility to
health risks is accelerated by hazards such as poor housing, lack of sanitary facilities, defective water supply or inadequate waste and sewage disposal. Unclean and limited water supply and food insecurity do not improve the situation. Persons living in areas without close access to basic services are thus particularly vulnerable to health risks.

As such, it comes as not much of a surprise that most households suffer from frequent health problems. Specifically, the following issues affected the study households:

- Eighty-eight percent of households (N=56) reported that their household faces frequent health problems, particularly affecting their children, and 31 out of these have to deal with a chronic issue requiring constant care and medical expenses.

Reasons given for ill health refer to winter-related health problems, the heavy reliance on unclean water for many households, health problems arising out of bad working conditions or food insecurity. Figure 5 summarises the reasons reported for ill health in more detail.

**Box 4. Coping with ill health**

Mohammad Essah is the head of an eight-member household in settlement 4. He developed a chronic stomach sickness and lost his ability to work, and his medical requirements put a huge burden on the household’s financial capability. Coping with ill health has been very difficult and in fact destroyed what once had been a functioning asset portfolio. Essah needed to sell his house to pay for medicine and to repay the huge debts he accumulated, and now they live on rent in what once had been their own property. Still, he maintains a debt of 70,000 Afs taken from as many as 10 different sources. Here, repayment is put on hold, since the sole income for the household stems from weaving carpets, carried out by his wife, his eldest son and two very young daughters. In addition, his aging mother is spinning wool to supplement incomes, but all this is hardly enough for basic expenditures and food requirements, let alone to finance medical care. As a response, Essah recently married off his eldest daughter at the age of 13 and he received 60,000 Afs as a bride-price for her, which will be used for further repayment of their huge debts.

**Figure 5. Reasons for ill health in the household sample**

<table>
<thead>
<tr>
<th>Reasons for ill health</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Insufficient food intake</td>
<td>13%</td>
</tr>
<tr>
<td>Bad working conditions</td>
<td>25%</td>
</tr>
<tr>
<td>Unclean water</td>
<td>45%</td>
</tr>
<tr>
<td>Winter related health problem</td>
<td>52%</td>
</tr>
<tr>
<td>Chronic health problem (aging, asthma, tb, disability)</td>
<td>55%</td>
</tr>
</tbody>
</table>
• Fifty percent (N=32) had to cope with a major health problem during the past year, triggered either by chronic sickness in the household, a sudden and unexpected health problem occurring, or a hospital sojourn.

Incidences of serious illness, or when old people start to need looking after, are situations in which households can become extremely vulnerable and defenceless. Not only must the sick person be cared for – and may thus prevent others from pursuing productive activities – but also the expenses connected to treatment considerably eat into the household budgets. If the sick person was previously the main income earner and the degree of a household's income diversification is low, the well-being of all household members is at risk.

4.4.4 Social assets

Social assets refer to the capability of individuals or households to secure resources such as time, information, money and in-kind gifts, by virtue of membership in social networks. In the urban context, networks and reciprocity are generally considered more fragile and unpredictable due to high fragmentation and heterogeneity of the urban population. This notion, however, does not hold true so much for urban Afghanistan, where the importance of social relations for livelihood security has been confirmed. Nevertheless, since social assets in most cases are bounded and rarely reach beyond one’s own community or family, they in most cases do not allow people to rise above poverty permanently. Still, there can be no doubt about the important function social relations have for mitigating effects of exposure to adverse conditions, and the role the wider family plays as a basic social safety net in urban Afghanistan.

Social assets are inherent in the relationships one has with others. These relationships may well function as a means of minimising risks to livelihood security, but if a household is to rely on them, they require constant care and efforts to maintain them. Networking as a strategy of self-help to mitigate existing inequalities or to compensate for a lack of human or material assets thus does not develop easily, but requires work and investment of time to cultivate the relations one has. In urban Afghanistan family relations and neighbourhood relations can overlap significantly, which makes it comparatively easier to maintain close relations.

In Pul-e Khumri, this is certainly the case. Fifty-six households have close relatives living in their immediate neighbourhood, and for 54 out of these, their family-related households are an important source of support and resources in times of need, enabling access to credit and wage labour opportunities, food and health care assistance as well as help in carrying out household tasks or child care. Figure 6 provides more details as to what resources can be mobilised by virtue of functioning family relations.

There is generally a high trust in one’s family relations as well, and 89 percent (N=57) of those interviewed believed that they can always rely on help from their extended family in case of an emergency.

Interestingly and in contrast to what has been found in Mazar-i-Sharif, good neighbourhood relations appear to be a very beneficial source as well, which is probably because in terms of ethnic origin and occupations dominant in a settlement, the communities studied in Pul-e Khumri are less diversified. However,

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16 See Schütte, 2005.
94 percent (N=60 households) of respondents reported that they are regularly able to access resources, which include help in child care or other household tasks (N=28), small credits in case of need (N=45), food assistance (N=23) and mediation of wage labour opportunities (N=8) or charity (N=8). In the case of major events, neighbourhood support can be crucial for a household, and in some cases there are institutionalised systems of self-help and mutual support in place that help affected households to cope with major difficulties. Such is the case for instance in settlement 5, where in spite of the harsh poverty conditions, scarce resources are pooled whenever an emergency occurs and puts the livelihoods of a particular household in danger (Box 5). However, these types of self-help systems often are delimited by tribal boundaries, and the incident described in Box 5 was confined solely to the Ismaili community of settlement 5, and none of the Hazara households living there joined in to help. Further, although this type of community support does help people to survive an emergency situation, it generally does not enable people to improve.

Similarly, collective activities in the community help to inject a feeling of commonness and solidarity, and in all neighbourhoods such activities took place. For instance, in settlements 2 and 4 people submitted petitions for getting localised water supply, and in both communities money was pooled for the purpose to support the construction. Likewise, people in settlement 4 pooled money to buy the school tents, and in settlement 5 people did so to procure a tent that now serves as their mosque. In all other settlements people pooled cash and worked together to build solid mosques. However, apart from that people do not get together on a very regular basis, but whenever a common issue needs to be discussed.

### 4.4.5 Natural assets

Natural assets refer to endowments of natural resources and institutional arrangements controlling access to common property resources. They are usually less influential in the urban context, but for the urban poor might assume crucial significance nevertheless.

This is especially apparent in Pul-e Khumri, where many dwellers rely on natural resources for their livelihoods. The people in settlement 1 who cut stones out of the
mountain developed a protective mechanism that does not allow members of other communities to enter this type of work. Likewise, people in settlement 5 rely on collecting and trading recyclable waste materials as the only natural resource that is plentifully available in urban areas, although in this specific case waste collection is taking place outside the city. In addition, dwellers of settlements 1, 4 and 5 rely on river or spring water as their only source of water and many poor and vulnerable households in Pul-e Khumri rely on waste materials or on wild growing bushes collected from the foot of the mountains for their heating fuel.

### Box 5: Community self-help systems

Fahima is a widow living with her five-member household in settlement 5. Her husband died just shortly after they returned from Pakistan about four years ago, after he suffered an unknown sickness for which they could not afford treatment. He was the only breadwinner in the household, providing income from his work as a trader of old iron goods, like the majority of people in the settlement, and from the occasional unskilled wage labour job he was able to access with the help of a friend or neighbour. Their four children, three daughters and one son, were still too small to work at the time, and the household was caught in deep crisis. They had a few savings brought over from their time in Pakistan, about 2,000 Afs, but that was quickly spent in absence of any income. That was the time the community stepped in. At first, people organised and financed the burial and mourning, and then people pooled for a charity contribution to this household, everyone according to his individual capacity. In addition, Fahima’s sister sent her 15-year-old son over to work for an income, until Fahima’s own son, now nine years old, will be able to provide for his family. As for now, Fahima’s nephew is the only income earner, and he does so by various means: going to the crossroads for daily wage labour, but more often joining his elder brother in collecting old iron goods from the Russian camp. Recently, he started pulling a cart in the bazaar as well, for he developed a friendship with somebody whom he met at a wage labour assignment, and this new friend has a cart and lends it to him now and then, without charging rent. In spite of the help received, Fahima’s household remains highly vulnerable, and it is very likely that her own small son will start working soon and thus take on the sole responsibility of a single breadwinner.

### 4.5 Actions and reactions: coping with risks and events

Coping capacities of urban households largely rest on available asset portfolios and the resources a household is able to mobilise in the face of adversity. The literature on risk and coping thereby mainly distinguishes two different types of dealing with risk and insecurity: precautionary strategies and response strategies. The former include, for instance, diversification of livelihood activities, building up stocks and savings during peak seasons, or social investments in reciprocal or redistributive systems among households, whereas the latter is a reactive approach implemented after an event has occurred. Here, depleting physical stocks, drawing upon social relationships, seeking alternative employment (e.g. through seasonal migration) or mobilising additional household members for income generation, borrowing and, if necessary, reducing consumption are the most common activities observed in the literature.

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It is apparent from the discussion of asset portfolios among households in Pul-e Khumri that most indeed have very limited resources under their control, which puts coping capacities under high pressure. Consequently, a successful implementation of precautionary strategies is rather difficult, and there is little evidence that the households studied can exercise forward looking strategies on a greater scale. There is not much indication that people can establish substantial savings, although for many the small stocks they are able to build up during the summer season are crucial to maintain food security in winter (see Box 3). Again, a majority of dwellers in settlement 3 represent an exception. Their ability to earn a regular income over long time frames, the higher levels of education this enabled, and in many cases a high diversification of reliable income sources make it comparatively easier for them to exercise insurance strategies, which includes their income diversification. In other settlements, successful diversification of income sources aimed at spreading risk often go at the cost of education, implying a trade off of improved current security against potentially higher vulnerability for the next generation (see Box 6).

**Box 6. Diversifying risk or perpetuating poverty?**

Ahmad Zia is the 70-year-old head of a 10-member household living in a rented house in settlement 2. They just returned from Pakistan a year ago and managed to get hold of housing with the help of a relative living in the area. Because of his age he is unable to work, but his eldest son and family are living with him, with the main income being the occasional daily labour work accessed from the crossroads by his son. In view of the 1,000 Afs monthly rent they need to pay, it was decided that the three young grandsons had to start working as well and discontinue their schooling. In fact, they never visited an educational facility in Afghanistan, but received limited elementary schooling in Pakistan. The moment they returned, the 13-year-old grandson started pulling a cart, which is rented from a neighbour for 10 Afs a day. The 12-year-old son works as a mobile vendor, who sells cosmetics bought from a wholesaler on credit on a portable tray, and the 10-year-old son joins a neighbour in selling home-cooked food in the streets for a daily wage of 20 Afs. Often, the three sons provide the only income available, since their father only very irregularly finds work on the crossroads, although lately he got an assignment mediated by another neighbour and he worked more than 30 days in a row on a construction site. With four income sources, the risk of total loss of income is basically ruled out, but in doing so all sons withdrew from school and need to stay illiterate, thus increasing the risk of perpetuating their exposure to poverty conditions in the future. Likewise, granddaughters are not entering school since they need to support the reproductive tasks necessary to keep this big household running.

All communities maintain good neighbourly relations, which are supported by the high evidence of functioning family relations that are present in each settlement studied. Likewise, investments of time and resources in social networks certainly play a positive role in maintaining them, and there are many examples as to how social relations work as a supportive force in maintaining livelihood security and as a fallback system in times of crisis (see Box 5). More generally, however, strategies applied by sample households are responsive rather than forward looking. For instance, most have very low diversification of income sources, and the high incidence of winter unemployment and irregularity of work and income make it difficult for the majority to plan ahead.

The events encountered by urban households in Pul-e Khumri and the responses given are summarised in Table 8 below. Most of the respondents indeed had to face a period of total income loss at some point or very regularly, showing the high insecurity posed by the urban labour market. Virtually all households had to cope
with sickness events, and a very high number experienced food and fuel shortages. Ceremonial life-cycle events such as marriages and funerals are the other two main occasions that need larger investments and explicit strategies to deal with them.

Table 8. Events and coping strategies as encountered by urban households in Pul-e Khumri

<table>
<thead>
<tr>
<th>Event</th>
<th>Response (hh=households)</th>
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| Income loss  | Taking credit (42 hh)  
Accessing support from relatives, friends or neighbours (20 hh)  
Selling physical assets (18 hh)  
Cutting down expenses for basic consumption (14 hh)  
Labour migration (5 hh)  
Depleting savings (3 hh)  
Sending children out to work (1 hh)  
Marrying off daughters (1 hh)  
Begging (1 hh)                                                                 |
| Sickness     | Taking credit (44 hh)  
Selling physical assets (18 hh)  
Cutting down expenses for basic consumption (17 hh)  
Accessing support from relatives, friends or neighbours (11 hh)  
Depleting savings (11 hh)  
Labour migration (2 hh)  
Marrying off daughters (2 hh)  
Women started working (1 hh)  
Sending children out to work (1 hh)  
Begging (1 hh)                                                                 |
| Food shortage| Taking credit (33 hh)  
Cutting down expenses for basic consumption (28 hh)  
Accessing support from relatives, friends or neighbours (19 hh)  
Selling physical assets (5 hh)  
Labour migration (3 hh)  
Sending children out to work (2 hh)  
Begging (1 hh)                                                                 |
| Fuel shortage| Scavenging the streets and deserts for materials to burn as fuel (45 hh)  
Taking credit (16 hh)  
Accessing support from relatives, friends or neighbours (14 hh)  
Cutting down expenses for basic consumption (3 hh)  
Selling physical assets (2 hh)                                                                 |
| Marriage     | Taking credit (16 hh)  
Labour migration (9 hh)  
Depleting savings (8 hh)  
Selling physical assets (7 hh)  
Marrying off own daughters (4 hh)  
Cutting down expenses for basic consumption (17 hh)  
Accessing support from relatives, friends or neighbours (2 hh)                                                                 |
| Funeral      | Accessing support from relatives, friends or neighbours (15 hh)  
Taking credit (13 hh)  
Depleting savings (4 hh)  
Selling physical assets (3 hh)  
Cutting down expenses for basic consumption (1 hh)                                                                 |

Coping strategies encountered to deal with those events cover a wide range of activities. Most important is the practice of taking on debts. In all cases, most households first try to get hold of credit that allows them to bridge times of income loss or to raise the money for necessary expenses that accompany a health problem or a marriage event. The crucial importance of social assets is underlined by the high evidence of informal support accessed from relatives, friends or neighbours to cope with an event. In fact, membership in social networks in many cases is an actual
precondition to be able to seek credit in the first place. As such it is mostly social assets and informal support networks provided by the wider family and neighbourhood that help the “poorest” households to cope with risks and events, and that often literally work as resources of last resort. Depletion of assets and savings is pursued by those who could afford to build both to begin with, but many households do not have either and have to rely on outside support from family or neighbours, reductions in their consumption, or sending children out to contribute to the household income.

As such, there are not many options available for those urban households with minimal labour resources, and for the poor and vulnerable the implementation of forward looking approaches appears to be almost impossible to pursue. In fact, many have to rely on a hand-to-mouth living which does not offer much scope for lasting improvements. The only long-term strategy that bears general significance among the households studied in Pul-e Khumri is the practice of sending children to school on a much greater scale than is the case in other locations. Whereas the elder generation is virtually illiterate, most offspring are able to acquire basic education, which connects to the hope for a more favourable future. Still, providing education to children often means enduring hardship at the same time, as many rely on children’s work for income. This has been repeatedly stated for instance in settlement 4, where school-going children contribute a substantial part to overall carpet-weaving work, and the time to finish the product increases significantly at times when schools are open. As one respondent stated:

*If we don’t send our children to school we don’t have chances for the future, and if we send them to school we don’t earn enough money for our living.*

All this highlights the often hard choices people have to make and the unfair trade-offs they have to get involved in. Often it comes down to issues such as education vs. working for an income, or marrying off a still young daughter vs. selling a house or another valuable asset to repay the debts accumulated. Especially the practice of marrying daughters for the bride-price is very common, and altogether seven households reported that they did so to handle a larger financial event.

### 4.6 Participation: structures of local governance in Pul-e Khumri

Pul-e Khumri does not have a formal *shura* system that could be used to represent community interests or articulate community problems towards the municipality or other government officials. While all communities have their informal council of elders that discusses issues of general relevance and gets together on an irregular schedule (see Box 7), there is no such thing as an elected community development council. Subsequently, there is also no active participation in municipal decision-making processes.

Representation of a neighbourhood is instead being carried out by the *wakil-e gozar* as the official appointee of a given community who is officially acknowledged by, and meant to work closely together with, the municipality and to speak for community interests. As such, the system is in principle identical to those in other Afghan cities, where *wakils* act as middlemen between officials and local communities. These individuals have an important role to play when it comes to any kind of formal interaction between communities and other urban actors, be it the municipality or an NGO working in urban areas. A good example for the latter is the organisation of the water distribution system in settlement 2 carried out by an
international NGO. There the local wakil-e gozar, together with his associates representing other neighbourhoods that also benefit from this specific construction, organised community participation in carrying out the manual labour as well as the collection of community funds to support the NGO activities.

**Box 7. Selecting a new wakil-e gozar**

The research team had the chance to take part as observers on one of those rather rare occasions of a meeting of community elders in settlement 4. The subject of the meeting actually was to select a new wakil-e gozar for the neighbourhood, as the prior one had resigned shortly before. Thus, the meeting was taken very seriously, because the position of a wakil is perceived as very important for the community. At the same time it illustrates nicely how the shura as an important local decision-making body in a neighbourhood may reach its verdicts. About 25 people from the settlement, all of them men, got together on open public ground and started the meeting with a speech of the old wakil explaining his resignation. Subsequently, potential successors were suggested, and a discussion arose as to who would be best fit to take on the assignment. Some elderly were put on the list, but also one very young man, about 20 years old, who apparently had attained the highest level of education in the entire neighbourhood. Many participants felt that he would be the best choice to represent the community, and that his education would be a strong asset. On the verge of being selected he declined the offer, saying that he would have a difficult position among all the elderly wakils and towards government officials. After, there was a lot of discussion to convince the second candidate on the list, a 40-year-old man who earns his livelihood mainly through unskilled daily wage labour and cart pulling by his 20-year-old illiterate son. He had no education, but was described as very honest and deliberate. Initially the man was not very keen on taking on the assignment since he feared he was too occupied with daily labour, and might be forced to neglect his income activities. Only after the community expressed their full solidarity and support for his voluntary future work did he agree, and the next day he was introduced to the municipality as the new representative of settlement 4. The whole meeting was over in little more than half an hour, but almost everybody who was present spoke up and expressed his opinion and the verdict was reached in collective agreement. However, women’s ideas were not taken into account in the decision-making process, and there is no way to say from this single example if discussions in community shuras always take such an undisputed course.

In addition to liaising with NGOs and the municipality and occasionally meeting with fellow representatives, wakil-e gozars take on the following responsibilities:

- **Acting as intermediary during internal conflicts and helping to find solutions:** The wakil-e gozar does act as a problem-solving institution on the community level. There are a few incidences reported in which the representative took on this role, such as in settlement 1, where a dispute about land had to be handled. Apparently, the land on which the school now is located was claimed by a private person, and the wakil held successful negotiations to prevent encroachment of this land destined for public access. Other issues reported by wakils refer to conflicts arising out of marriage arrangements, for which he also serves as a witness, or incidences of theft and robbery. Altogether however there seem to be not so many occasions where conflict resolution had been an issue in the past, as all interviewed wakils had a difficult time remembering the mentioned episodes.
• **Keeping track of land distribution in a settlement and preventing construction of new houses on unaccounted land:** Most of the neighbourhoods studied are *zor abad* – a local term used for informal settlements, literally meaning “a place taken by force”, where people encroached public lands and built without seeking prior permission. However, many of these settlements in Pul-e Khumri were established by people seeking refuge from war atrocities taking place in their native areas, and the municipality seems to recognise these settlements for the time being. To prevent further spreading of informal areas, however, a new policy was introduced, which does not permit new constructions to take place in the existing settlements on unaccounted land, and the *wakils* are assigned to ensure that this regulation is observed. This does not affect the construction of new houses on already encroached land. Further, these occupied lands can be traded, and *wakils* act as witnesses in all land property transactions taking place in a neighbourhood.

• **Organising public works in the neighbourhood:** Neighbourhood maintenance works such as road-cleaning and garbage collection are organised occasionally by the *wakil*, and he assigns the labour force to these tasks. In addition, he is responsible for collecting money from the community for those and other public works, such as the construction of communal buildings (mosque) or the community contributions to infrastructure provisions, such as in settlement 2, or for purchasing school tents, as was the case in settlement 4.

• **Working with a council of elders to discuss major decisions:** Naturally, the *wakils* are not the sole decision-makers in their communities; rather they coordinate with a council of elders, an informal *shura*, which works in each settlement and collectively decides on issues of particular concern. These informal *shuras* get together not on a regular basis but whenever deemed necessary, as was the case for instance in settlements 2 and 4 when negotiations about water provision were being pursued, or in settlements 1 and 4 when decisions about the purchase of school tents were discussed.
5. Conclusions and Their Implications for Policy and Practice

Urban poverty and vulnerability are complex issues, whose thorough understanding is crucial in order to inform pro-poor and efficient policy approaches. This study aimed to contribute to such an understanding by exploring livelihood situations of poor urban communities and households in Pul-e Khumri, and by considering their perceptions of their own situations. It is obvious from the multiple dimensions in which urban poverty may appear that there is no singular way to tackle these issues, but that there is a need to apply multiple strategies, which are to be carried out and supported by coordinated actions from several actors.

However, a number of conclusions can be drawn from the present short-term study about the livelihoods of poor and vulnerable populations in Pul-e Khumri, each of which leads to implications for policy and practice. The following account thus focuses on these implications vis-à-vis the main conclusions.

1. Access to basic services in Pul-e Khumri is widely restricted for its poor and vulnerable populations, but improvements have taken place in recent years to ease the pressing problem.

Many poor urban households are still excluded from access to safe water or electricity, and the problem is particularly apparent in settlements 1 and 5. However, significant service delivery efforts that addressed the issue have been successfully implemented in other neighbourhoods of Pul-e Khumri. Unlike in other cities, communities have established close access to schooling in the past few years, in many cases triggered by self-initiative, giving rise to comparatively high enrolment rates that are apparent also among poor urban households. This shows that proximate schooling is crucial in encouraging people to provide education for their children.

Further, many hillside communities living far away from any safe water source, formerly requiring them to invest huge amounts of time to haul in supplies, were provided with sophisticated water distribution systems by an international NGO. Communities willingly contributed resources such as time and money to the cause, and it shows that water provision even to very remote areas is easily manageable. But the system is still problematic in the sense that water supply is highly limited to certain times, and many households still need to fetch water from the river to meet their needs. As such, it is not an entirely successful approach, limited by technical procedures and the need to share distribution among too many households.

Recommendations:

- Continue assisting communities in their own efforts to provide infrastructure to their settlement, for instance by developing schemes to subsidise expenses for transformers and wiring that would enable enhanced electricity supply, or
by building on already present neighbourhood incentives, such as helping in constructing a proper school building where now only tents are present.

- Extend safe water supply systems to settlements which are still excluded from access to decrease their reliance on unsafe river or canal water. Ensure such systems are technically sound and provide adequate levels of water provision.

- Access to health care remains a problem, with only two insufficiently supplied government clinics in town. NGOs, with state support, need to take initiative and establish adequately provisioned local health posts which would enable proximate access for all dwellers of Pul-e Khumri. Community contributions for construction and maintenance of these facilities can be facilitated by wakil-e gozars.

- Support for house reconstruction has already been provided by an international NGO to help rebuild the largely destroyed settlement 4. Such efforts need to be broadened to enable poor urban households to access funds for improvement of shelter and housing quality in order to assist people in coping with winter. Tenure insecurity is relevant here as well; the municipality needs to adopt a proactive approach to regularisation to support the urban poor’s willingness to invest in their own home improvements. This means the municipality needs to go one step beyond the present approach of merely tolerating informal settlements to legally ensuring the security of tenure in those neighbourhoods for a fixed and reasonable time period.

2. Poverty and vulnerability in Pul-e Khumri are critically influenced by the urban labour market, which provides too restricted opportunities for a growing population. This goes along with a high incidence of unemployment, increased competition and extreme irregularity of too low returns, leading to a high degree of vulnerability and loss of income for the urban poor. In addition, levels of skills are very low among poorer urban populations.

The example of settlement 3 clearly shows the positive effects long-term regular employment is able to yield, but alas, it represents a fortunate exception from the rule of insecure employment shaping the lives of the urban poor in Pul-e Khumri.

Recommendations:

- Given the widespread irregularity of employment and thus ultimately insecure incomes, there is an urgent need to enlarge income opportunities and the number of regular jobs available in the city, probably by means of revitalising state-owned enterprises such as the textile factory. This will require a centrally driven macro-economic approach, given the difficulties all state-owned enterprises in Pul-e Khumri, or for that matter all over Afghanistan, have to face. On an economic policy level, a step away from the free market ideology towards import substitution might prove to be stimulating for domestic economic development and subsequently for the generation of more stable employment opportunities. Learning from countries that developed their own approach to economic development, involving a mix of markets and protection, could assist in developing Afghanistan’s economic and industrial development policy.
• Market-responsive paid vocational training programmes targeted towards the urban poor in the city of Pul-e Khumri need to be implemented by NGOs on a greater scale and longer term basis inside the city, thus enabling people to improve their skills, earn a higher and more regular income throughout the year, and build up stocks for increased coping capacities.

• There is need to support poor and vulnerable urban households in diversifying their income sources. Heavy reliance on single income earners and single areas of work limit coping capacities and heighten vulnerability and potentially lead to children dropping out of school and working instead. One way to increase diversification within households is to work to integrate women on a greater scale into the household labour force than is presently the case in Pul-e Khumri, possibly by broadening the range of home-based working opportunities. Given the dense urban–rural linkages in Pul-e Khumri, this could be achieved by agricultural processing and value adding, as well as by programmes supporting urban livestock keeping. Most current home-based income activities carried out by women have extremely low remuneration, and any new approach needs to address the low value often attached to women’s work; changing such attitudes and perceptions is a long-term project.

3. **Casual wage labour and self-employment activities represent the two most important income sources for the urban poor in Pul-e Khumri.**

Recommendations:

• There is a lot of scope to support self-employment activities such as road vending or cart pulling as the two very important income sources for the urban poor in the city. Vendors and street sellers should be formally recognised and their presence seen as an important contribution to the urban economy, since they provide a huge range of goods and services useful for other sections of the urban population – poor and non-poor. Consequently, their needs for public space should include urban planning processes and their activities regulated and protected from harassment, possibly by means of licensing approaches.

• Given the fact that regular factory employment helped people to diversify their asset portfolios and in many cases to overcome poverty conditions, possible ways of improving access to these longer term employment opportunities need to be thought over. This could be accomplished with the implementation of a pro-poor labour policy aimed to protect the rights of workers and to ensure that good quality work opportunities are created. This implies the need to gradually move away from casual non-contract work as the predominant feature of current urban labour markets in Afghanistan towards an increased provision of stable and protected work opportunities. This may involve efforts to give a push to the industrial sector of Pul-e Khumri to revitalise its performance and make it more competitive, through improving workers’ skills and finding niche markets to serve.

4. **The urban poor in Pul-e Khumri experience a high degree of “asset vulnerability” – i.e. they have very limited resources under their control, which puts coping capacities under high pressure.**
Recommendation:

- Any attempt to improve the coping capacities of poor and vulnerable urban dwellers needs to deal with the tight and restricted conditions posed by urban labour markets and the adverse environmental conditions under which most of the urban poor live. Improved access to services and infrastructure, as already triggered in some urban communities in Pul-e Khumri, represent a necessary precondition to ease pressure on human assets, and access to more secure and regular work opportunities is vital to improve existing levels of financial and physical resources. These things will take time, but to date there unfortunately is no clear policy direction and very little development programming in place that would address the integrated needs of the poor to an extent and with a diversity that is appropriate. This general neglect of a central reality is what needs to change in the first place in order to begin tackling urban vulnerability and urban poverty more effectively.
References


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