

# Exploring Credit Systems and Power at the Village Level: Northern Afghanistan

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*To my mother and father  
for never stopping their prayers*

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# Content

Chapter	Page
Acronyms	6
Terminologies	7
Abstract	8
Preamble	9
1. Introduction	12
<i>1.1 Formal and informal credit in Afghanistan</i>	12
<i>1.2 Power relations linked to credit</i>	15
<i>1.3 Knowledge gaps in research on credit systems in Afghanistan</i>	17
<i>1.4 Theoretical framework</i>	19
<i>1.5 Research aim, objectives and research questions</i>	21
<i>1.6 Outline of the thesis</i>	21
2. Methodology	23
<i>2.1 Consent</i>	25
<i>2.2 Research objectives and questions</i>	27
<i>2.3 Asking the questions</i>	28
<i>2.4 Ethical considerations</i>	30
<i>2.5 Decoding the findings</i>	31
<i>2.6 Challenges</i>	32
3. Context and Study Area	35
<i>3.1 A peek at Afghanistan</i>	35
<i>3.2 Culture, traditions and tribal affiliations</i>	38
<i>3.3 Development aid in the country</i>	40
<i>3.4 Faryab Province and Belcheragh District</i>	44
<i>3.5 Turkmaniyeh and Sama'I villages</i>	46
<i>3.6 A brief history of the study area</i>	49
<i>3.7 Wealth groups</i>	51
<i>3.8 Actors at the village and district levels</i>	57
4. Livelihoods and Informal Credit	61
<i>4.1 Types of informal credit</i>	62
<i>4.2 Remittances</i>	66
<i>4.3 Agricultural land and mortgage</i>	68
<i>4.4 Agriculture</i>	71
<i>4.5 Banning of opium poppy cultivation</i>	74
<i>4.6 Effects of opium on credit</i>	77
<i>4.7 Drought</i>	78

	<i>4.8 Sharecropping and leasing land</i>	80
	<i>4.9 Farm and off-farm labor</i>	81
	<i>4.10 Shops and other businesses</i>	82
	<i>4.11 Carpet weaving</i>	85
	<i>4.12 Livelihood development aid projects</i>	87
5. Social Institutions and Informal Credit		90
	<i>5.1 Marriage dower and dowry: Mahr and Jahez</i>	91
	<i>5.2 Burial ceremony</i>	98
	<i>5.3 Charity: Zakat and Khairat</i>	99
6. Insights into Formal Credit		102
	<i>6.1 The two micro-credit scheme projects</i>	102
	<i>6.2 Micro-credit scheme: targeting male farmers</i>	103
	<i>6.3 Micro-credit scheme: targeting household women</i>	106
7. Credit & Power Relations		114
	<i>7.1 Effect of credit on power at the household level</i>	116
	<i>7.2 Effect of credit on power at village level</i>	118
	<i>7.3 Impact of local development aid actors on power relations</i>	120
	<i>7.4 Impact of international development aid actors on power relations</i>	123
8. Conclusions		126
References		132
Appendixes		136
	<i>Map 1</i>	136
	<i>Tables 1 to 9</i>	137
	<i>Figures 1 to 3</i>	147
	<i>Pictures 1 to 12</i>	149

## Acronyms

ACBAR	Agency Coordinating Body for Afghan Relief
ACTED	Agency for Technical Cooperation and Development
ANP	Afghan National Police
ARCS	Afghan Red Crescent Society
AREU	Afghanistan Research and Evaluation Unit
ARTF	Afghanistan Reconstruction Trust Fund
CDC	Community Development Council
CHA	Coordination of Humanitarian Assistance
DACAAR	Danish Committee for Aid to Afghan Refugees
DDA	District Development Assembly
DDP	District Development Plan
GT	Grounded Theory
EU	European Union
FAO	Food and Agriculture Organization
ICRC	International Committee of the Red Cross
IOM	International Organisation for Migration
MC	Micro-credit
MISFA	Microfinance Investment Support Facility for Afghanistan
MoEc	Ministry of Economics
MRRD	Ministry of Rural Rehabilitation and Development, Afghanistan
NABDP	National Area-Based Development Programme
NCA	Norwegian Church Aid –Kirkens Nødhjelp
NGO	Non-governmental Organization
NRC	Norwegian Refugee Council
NPO/RRAA	Norwegian Project Office / Rural Rehabilitation Association for Afghanistan
NSP	National Solidarity Programme
PC	Provincial Council
PDC	Provincial Development Committees
PRT	Provincial Reconstruction Teams
UIF	United Islamic Front for the Salvation of Afghanistan
UMB	Universitetet for miljø- og biovitenskap
UNAMA	United Nations Assistance Mission in Afghanistan
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
USAID	United States Agency for International Development
USD	United States Dollar
WFP	World Food Programme
WB	World Bank



## Terminologies

<i>Abi</i>	Irrigated land
<i>Arbab</i>	Elected chairman of the village councils
<i>Burka</i>	An outer garment worn by women and covers the whole body
<i>Chador</i>	An outer garment worn by women
<i>Doktorhayeh</i>	Traditional healers
<i>Younani</i>	
<i>Forokhtan</i>	Act of selling
<i>Gheraw</i>	Mortgage
<i>Jahez</i>	Dowry
<i>Jehrib</i>	Two-thousand meter squares of land
<i>Khairat</i>	Voluntary act of charity
<i>Khod Kafa</i>	Self-sufficient
<i>Lalmi</i>	Rain-fed land
<i>Madrassa</i>	School
<i>Mahr</i>	Dower
<i>Mo Sfedha</i>	White haired men or women, indicating their age
<i>Moharem</i>	Chaperon
<i>Mujahideen</i>	Islamic militias/insurgency fighting the Soviet Army in Afghanistan.
<i>Mullah</i>	Islamic clergymen
<i>Nasiya</i>	A form of informal credit
<i>Nerkh</i>	Yarn
<i>Pashtunwali</i>	Pashtun codes of honor
<i>Peshaki</i>	A form of informal credit
<i>Qaleen-e-Qaychi</i>	Untrimmed carpet
<i>Nashodeh</i>	
<i>Qarz-e-Hassaneh</i>	Loans without usury
<i>Qarz-e-Sood</i>	Loans with usury
<i>Qommandan</i>	Military commander
<i>Reesh Sefidha</i>	White bearded men, indicating their age
<i>Riba</i>	Usury
<i>Salam</i>	A form of informal credit
<i>Sharia</i>	Islamic Jurisprudence
<i>Shura</i>	A council of men and/or women
<i>Sood Khorha</i>	Lenders of credit with usury
<i>Sood</i>	Usury
<i>Zakat</i>	Islamic duty of charity

## Abstract

In the absence of a strong state in Afghanistan it is very challenging to provide rural households with better food security and access to sustainable, well-established and regulated financial institutions. This paper researched livelihood strategies, credit systems and power relations in two villages from Belcheragh District, in Faryab Province, during summer 2008. Through the use of qualitative methods the study explored in-depth strategies such as remittances, agriculture and carpet weaving incomes, life-cycle activities, credit systems, including micro-credit schemes and the common local credit transactions, and finally, power networks. The study also explored how these strategies are changing in Afghanistan in the face of changes in the political, social and economic conditions. The study found that social networks, through which less privileged households gain access to credit, are exploitative in nature. Access to land and credit for the more privileged households allows them to also have a say in who gets what in the village, mainly micro-credit schemes, the local credit transactions and other livelihood incomes. Finally, the study provided detailed information on the situation in Belcheragh District for development actors such that they can improve their own micro-credit schemes and other activities related to food security.

*Keywords: Afghanistan, Belcheragh, Faryab, livelihoods, credit systems, power, social networks, micro-credit, development*

## Preamble

Hooves of donkeys, car wheels and tank tracks have carved the roads outside of Meymaneh and these roads came with their own heat and dust. On the early hours of June 10<sup>th</sup> 2008, we drove southeast. The road we were on had graveyards covering the hills on the left and ploughed flat land on the right. After a few kilometers, there was nothing but hills and mountains. As we crossed the highlands at the edge of the Pamir Mountains, Shahvali, our designated driver played on the tape recorder songs by Jawad Qaziyar. Traveling that path towards the sunrise –and accompanied by a traditional Afghan melody and Jawad’s melancholic voice –I was introduced to Belcheragh.

The district of Belcheragh is located in a northern province, called Faryab. The surroundings are bare but for some trees along a nearly dried up river. Belcheragh River floods during winter and isolates villages from each other for up to several days. During the summer, the river dwindles down to a stream in some parts, and a shallow river in others. Most of the land, apart from the banks, is mountainous, where marks of determination of the Afghans can be seen. The almost impossible to be plowed slopes have been plowed and the yellow wheat patches are an astonishing marvel to look at. It was pointed out for me that this season the plowed landscape yielded short stocks of wheat; on some mountains, it yielded nothing at all. This was the first signal of hardship the farmers were facing. Afghans believe that this continuous curse called ‘drought’ has conspired, along with years of conflict, to make life harder for them.

As we drove alongside the river towards the centre of the district, village after village, I noticed that young men were hardly to be found. I was told that they were trying to earn themselves and their families a more decent life by working in the Islamic Republic of Iran, in an Afghan city, or in the fields and mountain slopes. Passing through different villages, what became a familiar sight were the few white bearded men (called *Reesh Sefidha*) sitting together under a tree with lots of children playing in the river or along mud walls surrounding their homes. The children seemed to be happy and free. Perhaps the only opportunities for the young girls to enjoy the outdoors, play with other children, have lipstick and eyeliners on their faces and wear colorful dresses –where a veil is not needed. I noticed that girls after the age of seven were starting to wear veils to

cover their hair. Some of them were wearing a *Chador*<sup>1</sup> that does not reveal hair at all but only their faces and hands. Not only did they have to cover their faces, they also had to turn towards the same mud walls whenever our car approached. Some had the choice of a colorful scarf and dresses but many did not have such luxury and were wearing backcloths and veils. I could not find young girls above the age of fourteen. They were all hidden along with their mothers and grandmothers under the *Burka*<sup>2</sup>, but even *Burkas* were a rare sight along the road. Belcheragh community, I was told during the trip, practices strict traditions and norms. The roles of their women are restricted to few tasks, most of which are in and around the house. Almost all the time they have to travel with a chaperon (*Moharem*) between houses and villages. Besides the young girls, the only other females were some grandmothers riding their donkeys and having a young grandson as a chaperon. The boys also had their chance to wear a traditional hat with a colorful flower on it before they grow up and have to replace it with a turban.

Inescapably, some stories of Belcheragh were told to me during the four-hour journey from Meymaneh. During the twenty or so years before the Taliban<sup>3</sup> withdrew from the district, Belcheragh had known little economic and educational developments. They partly blame themselves. In the early 1970s, the government of King Zahir Shah<sup>4</sup> gave Belcheragh's leaders a choice between either building them a wheat storage house or improving their schools (and providing education for all twelve grades instead of only six grades). They choose the first option, while Gurziwan, the neighboring district, asked the government for a school that teaches up to grade twelve. Then, during the late 1970s, the *Mujahideen*<sup>5</sup> burned all the schools in the district and hanged a few of the teachers under the pretext that they were teaching ungodly and communist ideas. To them, education was not deemed as important, a western craze and in fact a threat to their

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<sup>1</sup> *Chador* is an outer garment or full-length semicircle open cloak worn by women and thrown over the head and held closed in front.

<sup>2</sup> *Burka* is a garment worn by women in some Central Asian and South Asian countries that covers the whole body and has a net screen that covers the face.

<sup>3</sup> The Taliban is a Sunni Islamist *Wahhabi* movement, predominantly made of Pashtun tribes that governed most of Afghanistan from 1996 until 2001.

<sup>4</sup> King Zahir Shah was born in October 1914 and died in July 2007.

<sup>5</sup> *Mujahideen* is an Afghani word derived with the verb Jihad meaning 'struggle' and *Mujahid* is the person that acts or is involved in the act of Jihad. *Mujahideen* is a plural form of *Mujahid* that represents, in the context of Afghanistan, the Islamic militias/insurgency that were supported by Pakistan, Saudi Arabia, USA and others to fight the invading forces of the Soviet Army in Afghanistan.

traditional lifestyle. All symbols of the government, not just the schools, were destroyed and no investment in the infrastructure was made. Both the *Mujahideen* and the Taliban established only *Madrasahs*<sup>6</sup> that taught Islamic values and the Holy Qur'an. Apart from some religious education, and until a couple of years ago, generations of boys grew up lacking knowledge of languages, literature and science. Girls had hardly any formal education. After 2002 when the Afghan Non-governmental Organizations (NGOs) arrived to Belcheragh, they could neither find local men nor women that were educated enough to be recruited as project officers and assistants. For example, most villagers could not write or read Dari, they only spoke their local ethnic languages: Uzbek, Turkmen, and Pashto –but they could not read or write those either. Knowledge and economy has always been controlled traditionally by a handful of strongmen: wealthy men, former militia commanders, and clergymen. However, the picture is not dark. There was hope that the drought will not last, that more children will attend the newly built schools –some of which are going to teach up to grade eight –and with the introduction of several development projects there are signs of a shift of economical power from the few to the many.

I could not imagine the path for Belcheragh District towards a better future any different from our journey from Meymaneh. The car crossed the river several times where it was shallow enough to pass, where no bridges existed, where sometimes a small part of the river created ponds and our vehicle had to cross an imaginary path carefully, almost halfway drowning.

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<sup>6</sup> *Madrassa* or *Madrasah* is an Afghani word meaning school but after the events of 11 September 2001, the term has often been used in a negative way, however, to refer to pro-terrorist Islamic centers that are anti-western and anti-American (Kolhatkar *et al.* 2006).

### Introduction

Credit is a factor influencing livelihoods in Afghanistan's rural areas and has therefore been an important focus of development aid progress throughout Afghanistan during the recent reconstruction years. However, credit has shown to be more complex than anticipated. Practices are diverse and their implications have to be understood according to social or cultural contexts in which they were developed and which also clarifies power dynamics at the village level (Klijn *et al.* 2007 and Pain 2004). Since credit in rural Afghanistan is diverse, an understanding of the social or cultural context is required over a long period of time in order to capture vulnerability and livelihood parameters within a village as well as between villages (Nyborg *et al.* 2008). There is a particular need to learn about credit outside opium poppy growing areas, such as Faryab Province, since there is little understanding of social networks, where the Afghan households get hold of credit, and the extent and workings of credit systems in these areas (Klijn *et al.* 2007). This research focuses on seeking a better understanding of how credit links to food security, livelihood strategies among Afghan households and power relations. The study uses a qualitative research approach to delve into credit systems and their relation to livelihood activities, life-cycle activities, and their links to power relations. Insights from this research are aimed at helping to draw a clearer picture for development actors to improve their micro-credit schemes and other activities linked to food security and livelihood strategies.

The following segments will present various aspects of credit and power, the gap in knowledge about credit in Faryab and the research objectives:

#### *1.1 Formal and informal credit in Afghanistan*

Research done in Afghanistan during the years prior to Spring 2008 indicated the need for better comprehension of food security aspects (Klijn *et al.* 2007), since they are key

for understanding people's livelihood strategies (Nyborg *et al.* 2008). In some research villages of rural Afghanistan, food security is expressed as women and men's access to sufficient food throughout the year (*ibid*). In order to acquire food, the less privileged households in most of rural Afghanistan turn to sources of credit. Credit, in its various forms, provides means to sustain sources of livelihood and stimulate productive assets (livestock, land, handiwork, etc) for farmers, less privileged households and in a few cases for the more privileged. All forms of credit are meshed in the social network of rural Afghanistan but can be categorized under two main types: informal and formal. Although both types might be represented as being opposed or different, they are in fact very similar in terms of use, linkage with social networks and power.

Informal credit comprises of credit transactions outside the established, regulated and monitored formal financial systems; in such cases the credit is generally exchanged between households in rural Afghanistan that know each other or have social relationships, that is mainly relatives and friends (Andersen *et al.* 2008-a). Informal credit long predates any other type of credit that has a direct effect on livelihood (Pain 2008-a), and it represents a diverse set of sources of cash, goods (livestock, wheat seeds, etc) and in-kind favors and services that provide food security in rural Afghanistan (Kantor 2009). The many forms of informal credit are repaid with or without interest, and in various flexible forms, depending on agreements between parties involved (Klijn *et al.* 2007). Actors providing informal credit might change roles (lender and borrower) and reverse the flow of credit between the village households, particularly when loans are small (Pain 2008-a). The more privileged households, on the other hand, provide large sums of credit and subsequently exert leverage over others who have to borrow from them (Kantor 2009).

There are several other main characteristics common to informal credit systems. Firstly, lenders often do not pressure the borrowers. They allow borrowers to repay when they can, in amounts they can raise because the lenders accept this in anticipation since they might find themselves in the future in need of credit and would require similar flexibility from their current borrower and possible future lender (Pain 2008-a). Secondly, "informal credit systems also reflect the religious and moral obligation embedded in Islam to assist the needy" (Andersen *et al.* 2008-a:2). Thirdly, "[credit] is

widely available for most village residents, apart from the destitute, and is often used for consumption smoothing<sup>7</sup> and to fund life-cycle events such as weddings and funerals” (*ibid*:2). Finally, informal credit is an important source of social protection since it creates a relationship between lenders and borrowers as well as between the lenders and the available resources (Kantor 2009).

On the other hand, formal credit refer to loans that are monitored, regulated and delivered within a system of rules by certain institutions external to rural communities that provide such services, for example, NGO run micro-credit schemes. Micro-credit (MC) services have been distributed globally for decades. After the 1997 ‘Microcredit Summit’, MC schemes have become a global enterprise that provide financial services for poor households and fill up the need for credit that can not be provided by the market (with its high interest rates and requirements for collateral). In Afghanistan, the interest in MC schemes increased after 2001. The Afghan government set up Microfinance Investment Support Facility for Afghanistan (MISFA) in 2003 to allow better donor coordination and prevent overlapping of resources and projects. Since then and up to February 2009, MC loans were distributed through different governmental and non-governmental agencies and organizations, to around 440,000 clients in rural and urban Afghanistan where the female participation was 62 per cent<sup>8</sup>. Providing MC has been considered necessary in Afghanistan, after so many years of conflict and drought, to stabilize livelihoods, improve productive assets and stimulate economic development and job creation (Kantor 2009). In fact, there is such a high demand for credit (Klijn *et al.* 2007) in Afghanistan, that the current trend in major programs in MC provision is justified. On the other hand, there remains a widespread need for informal credit to ensure household survival from one season to another (Pain 2008-a). “MC, if given in sufficient volume and scale, may have a subsequent effect in terms of the overall share of credit accessed through informal credit arrangements; it, however, will never replace informal credit” (*ibid*:49).

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<sup>7</sup> Consumption smoothing in the context of rural Afghanistan is when the households that “do not have a regular and secure income and are periodically short of cash or food or face small-scale crises... fall back on credit to overcome these lean periods” (Klijn *et al.* 2007:26). Hence the household can risk consuming but will not have to pay for it until funds are available.

<sup>8</sup> Microfinance Investment Support Facility for Afghanistan (MISFA) website accessed October 2009 (<http://www.misfa.org.af>).



There is no clear boundary between the informal and formal systems since both types of credit sometimes intertwine in different and complex ways that have varying implications on livelihoods (Klijn *et al.* 2007, Kantor 2009 and Pain 2008-a). For instance, Afghans perceive the MC scheme as an additional credit source, since it does not provide a service that was previously unavailable but in fact supports, directly or indirectly, the various forms of informal credit available at the village level (Andersen *et al.* 2008-a, Nyborg *et al.* 2008 and Kantor 2009). Pain states that “viewing informal credit through the lens of formal credit misreads the nature of informal credit and the function that it serves” (Pain 2008-a:47). Both types of credit are similar in the social networks they create and how these networks play a part in deciding which household will have access to what service. These credit systems and consequent social networks not only overlies but also reflect the diverse, hierarchical and traditional Afghan society. The next question to ask is, therefore, how are the different types of credit linked to social networks and power relations?

### *1.2 Power relations linked to credit*

Years of instability in Afghanistan destroyed most of the country’s infrastructure and agriculture, decreased its number of livestock, and in addition to some drought years, contributed to tight-fisted economic conditions. Such conditions threaten household livelihoods and food security, and lead to an increase in demand for credit as the less privileged struggle for survival (Pain 2008-a). Thus, in the context of Belcheragh district, to whom do households turn to provide them with protection, for example, against their loss of harvest and/or livestock?

In the context of risk and insecurity, social network form a protection system where credit thrives as a much needed insurance for households, and through which they survive drought, fluctuating food prices, lack of state control over security, and absence of a strong state intervention in development (Meagher 2009, Kantor 2009 and Pain 2008-a). These protection systems depend on an umbrella of patronage and networks that are founded on power, tradition and religious values (Klijn *et al.* 2007) and imbedded in the social structure in various forms. Hindess states that “the interesting question is not who has power and who does not, but rather how, and under what social conditions,

power is produced” (Hindess 1996: 34). In fact, social networks are a key element in the power makeup (Villarreal 1992). Networks create social and economic relationships among households linked to a large extent to credit systems, whether formal or informal.

Informal credit is used widely in rural Afghanistan for consumption smoothing, for tackling daily household needs not addressed by MC schemes [–which mainly focus on productivity and entrepreneurship] (Pain 2008-a), and finally, for funding life-cycle events (Andersen *et al.* 2008-a). Informal credit works as a protection net through two forms of relationships, those of reciprocity, that is, between households of similar social and economical powers, and those of inequality, that is mainly between the wealthier and perhaps landowning households and less privileged households (Kantor 2009). Although the lending and borrowing practices are interchangeable within a large sector of the rural communities where the acts of reciprocity prevail (Klijn *et al.* 2007), some of the practices reinforce the traditional and exploitative power relations at the village level (Kantor 2009). Exploitative power relations have been largely reinforced through dependent patron-client relations (Pain 2008-a) and reflect the significant income inequality amongst farmers in Afghanistan (UNODC 2003). Patron-client relationships exist between relatives of unequal wealth, shopkeepers and costumers, landowners and sharecroppers, input suppliers and farmers, etc, where some sort of power is exerted through the assistance, goods or income provided (Kantor 2009).

Although such relations can verge on the exploitative, at the same time, the less privileged may gain some level of security in exchange for loyalty (Andersen *et al.* 2008-a). In the context of Afghanistan, where informal relations are more common than formalized and transparently functioning state, market, or community institutions, these unequal relationships are a key to certain aspects of livelihood security (Kantor 2009) and are considered to be complicated since the informal network relationships exist across different social levels (Andersen *et al.* 2008-b). For example, it is important for less privileged households to have a strong relationship with their shopkeepers simply because they provide credit for their farms or workshops, despite the fact that the shopkeepers are using mechanisms that reinforce the dependency of the households on their credit and on their credit only. However, patron-client relation is not exclusive for the informal type of credit.

MC schemes might also fall into the same power relations (Nyborg *et al.* 2008). Given the importance of social networks to livelihood security, Afghan households perceived the role of MC schemes, similar to their own informal credit systems, as a tool to create or strengthen social ties (Kantor 2009). Firstly, it can exert its own power relations and patronage between NGOs and their clients, by giving access to credit for some and barring others. Secondly, MC may introduce a new way in which the already powerful utilize the traditional dependency of the less privileged households through having them obtain MC. This relationship is embedded in local power structures between households across wealth groups and social status (Nyborg *et al.* 2008, Klijn *et al.* 2007 and Pain 2008-a). Earlier research made in Afghanistan shows that wealthy and powerful households in the village control the use of MC schemes (Andersen *et al.* 2008-a and Nyborg *et al.* 2008). Such households have the main access to credit and they yield a powerful control over the village by determining “who and how villagers can take credit,” whether through informal credit or MC schemes (Andersen *et al.* 2008-a:iv). Therefore, the less privileged households have an obligation to share the MC benefits with their patrons; and in fact, “this is another way for poor farmers to strengthen informal credit relations in the village” (*ibid*:iv). Aid schemes are a new force in rural areas that benefits by exerting patronage that varies between the leaders of the village (formal or informal) and the loan officers from the NGOs, or a combination of both sets of actors (*ibid*).

### *1.3 Knowledge gaps in research on credit systems in Afghanistan*

Since 2007, five research documents<sup>9</sup> have highlighted the importance of credit and debt in the livelihoods of rural Afghans. The studies researched several subjects; the availability of credit for the household, the link between the informal and formal credit systems and how they feed off each other, how credit affects livelihood security and debt burdens, their link to power at the village level (Andersen *et al.* 2008-a), and finally the social

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<sup>9</sup> The five documents published by Afghanistan Research and Evaluation Unit (AREU) are: “From Access to Impact - Microcredit and Rural Livelihoods in Afghanistan” (June 2009), “Microcredit, Informal Credit and Rural Livelihoods: A Village Case Study in Balkh Province” (December 2008), “Microcredit, Informal Credit and Rural Livelihoods: A Village Case Study in Kabul Province” (November 2007), “Microcredit, Informal Credit and Rural Livelihoods: A Village Case Study in Bamyan Province” (April 2008), and “Finding the Money” (June 2007).

dimensions of informal and formal credit systems, so that NGOs would better understand how their aid schemes operate and why they may or may not be successful (Kantor 2009). The villages were located in three districts of Mir Bacha Khan, Dehdadi, Bamyan, in the provinces of Kabul, Balkh and Bamyan, respectively, and they were selected due to their differences in livelihood activities, availability of MC institutions that had projects with direct and indirect effects on livelihood, informal credit relations as well as the village economy, ethnic background, remoteness, exposure to conflict or other crises, history and engagement of the community (Kantor 2009). During the same period, a livelihood study was conducted in Dai Kundi province that tackled the topics of livelihood, credit systems and power<sup>10</sup> (Nyborg *et al.* 2008), in addition to other research<sup>11</sup> by Nyborg, which took place in Belcheragh District (Nyborg 2008).

These studies have made important contributions to the understanding of credit systems in rural Afghanistan. Their aim was to attempt and investigate the link between livelihood strategies and both informal and formal credit systems. They have been useful in defining the contour of the current study. The current study has two main aims. The first aim is to attempt to bring forward in-depth analysis in a qualitative approach, but one that uses a more integrated perspective. The integrated perspective will attempt to understand not only credit systems in relation to livelihood strategies and social institutions, but would also be sufficient enough to understand the dynamics of social networks and power relations. Such knowledge from the context of rural Afghanistan would reveal more of the existing power and understand its underlying networks as well as reveal the role of the recently introduced development aid relation to these networks at the village level. This knowledge can avoid oversimplification of the situation in rural Afghanistan, and evade assumptions on how to fulfill the needs of rural households.

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<sup>10</sup> The document published by Department of International Environment and Development Studies (Noragric) at Universitetet for miljø- og biovitenskap (UMB) –Norwegian University of Life Sciences is: “Exploring rural livelihoods in Afghanistan: a study of 10 villages in Dai Kundi Province” (January 2008).

<sup>11</sup> The research “Livelihood Study in Faryab” by Department of International Environment and Development Studies (Noragric) and Norwegian Church Aid (NCA) took place in four villages in Belcheragh: Kawlian, Neshar, Charamghar and Toghlamast (Nyborg 2008 unpublished report). The study looked into the conditions of those villages related to households’ livelihood strategies, food security, education and health, access to land and water, conflict within and outside the village, gender, development aid and power.

The second aim of the study is to research Faryab Province and more specifically the district of Belcheragh. Despite the above-mentioned-studies, research on the linkage between livelihood strategies, credit systems and power in Faryab remain limited. For Norway's interest, a better understanding of Faryab Province is particularly important. Bauck suggests that a long-term approach towards more research be applied to Norwegian aid, "to ensure more in-depth knowledge on a range of Faryab specific [issues]... before entering into major projects or committing multi annual funding" (Bauck *et al.* 2007:3). Norwegian development aid actors have been active in some districts of Faryab Province –including Belcheragh District –because of the Norwegian Army's involvement in peacekeeping mission in the province. What makes the district unique is that it is ethnically different from the above four provinces that other studies researched, and has been relatively less exposed to both violent conflict<sup>12</sup> and development aid. Belcheragh has been one of the least accessible districts because of its rough terrain; hence that had been one of the main factors for few development aid actors committed there. Several aid actors have various projects in the district; among them were a couple of MC schemes, being one of the major livelihood projects that worked for better household and communal food security.

#### *1.4 Theoretical framework*

In this study, I considered livelihood frameworks as a general background when I designed the objectives, research questions and methodology. Different theories around livelihood frameworks endeavor to provide insight into food security and how to alleviate challenges towards better conditions of the less economically privileged, especially in rural areas. Livelihood frameworks suggest ways for identifying main livelihood components, the linkages between them and their constraints (Ellis 2000). This study uses Ellis's framework for 'analysis of rural livelihoods' to understand livelihood strategies and food security in rural Afghanistan.

His framework guides researchers to key dimensions, which are fundamental to understanding the options, strategies and vulnerability of the less privileged households

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<sup>12</sup> In general, the province of Faryab has been relatively peaceful over recent decades of conflict, "as it has not been at the forefront of any of the major military campaigns as these have been fought in other parts of Afghanistan" (Bauck *et al.* 2007:14).

(Ellis 2000). Accordingly, this study will use some of the framework's elements to identify various livelihood dimensions. The process will initially identify the sources of livelihood that are the financial and social assets of the household. Next, the study will recognize, in the context of the study area, the different social relations (wealth groups, ethnicities, gender, etc.), institutions (traditions, land tenure, etc.) and organizations (*Shura*, cooperatives, NGOs, government entities, etc.), in addition to trends, constraints and shocks (labor migration, drought, price fluctuation, security situation, etc.) that would lead to the usage of specific local livelihood strategies. However, “as researchers, we have to devise for ourselves a research process that serves our purposes best, one that helps us more than any other to answer our research questions” (Crotty 1998:216).

By and large, many frameworks do conceptualize livelihood but tend, at the same time, to form a rather firm structure around it. Conventional frameworks tend to identify and place individuals and households into specific rigid structures and hence develop a body of policy and theory around it (Crotty 1998), reducing the influence of the affiliated complexity that comes with livelihood strategies. In fact, “livelihoods are very much a product of the particular context in which they are practiced” (Nyborg *et al.* 2008:5). Livelihood analysis should be a dynamic process, allowing the researchers to loosen up the framework in order to capture this dynamism, especially when looking into the effects of the different livelihood strategies employed by the rural households on credit systems and power relations. Power, in Ellis's framework, is not neglected but rather downplayed. Social relations, institutions and organizations involved in the rural area have an influence over access to livelihoods, with power being an important explanatory variable (De Haan 2006). Hence, the livelihood framework can become more analytical “by improving its theoretical depth through incorporating valuable elements of sovereignty and power” (*ibid*:121). In addition to the above framework, I will allow for local perception to give depth to the study, as to take into consideration their livelihood strategies, credit systems as well as power relations in the context of the rural Afghanistan, at both the household and village levels.

### *1.5 Research aim, objectives and research questions*

The aim of this research is to study in-depth the livelihood strategies, credit systems and life-cycle activities in Belcheragh District –Faryab Province. The objectives are to:

- a. Explore the various credit systems (previous and current) and livelihood activities;
  - What are the previous and current credit systems and how do they affect livelihood mechanisms of village households?
- b. Explore effects of changes in social, economic and political situations on livelihood and credit;
  - How are credit systems affected by the increase in fuel and food prices, drought and insecurity?
  - How was credit different during opium poppy cultivation?
- c. Understand social diversity, vulnerability and power; and
  - What can we know about the debt history of, and debt relations between, different households and individuals in the village?
  - Who are the vulnerable and who have power in credit and livelihood strategies?
  - How do the informal and formal credit systems relate to traditional power relations at the village level?
- d. Evaluate the role of different types and sources of credit in the livelihood of households, in terms of wealth, gender and power relations within a village.
  - How does the formal credit scheme influence power relations in the village?
  - How do women and men, more privileged and less privileged households participate in informal and formal credit schemes, and how does this affect power at both household and village levels?

### *1.6 Outline of the thesis*

In chapter two, I discuss the methodological approach used during and after the fieldwork. In chapter three I give a brief glimpse of Afghanistan and the study area. Chapter four focuses on some main sources of livelihood in relation to credit systems as

well as some of the constraints faced by rural Afghans. In chapter five, I examine in-depth some of the social institutions that play a role in the types and amounts of credit used. Chapter six discloses some findings regarding MC schemes introduced in Belcheragh. The chapter seven will discuss the two types of credit systems in relation to power. The final chapter offers conclusions on the research.



### Methodology

This chapter deals with the approach and the way the research was conducted and analyzed. The research made use of Grounded Theory (GT) and semi-structured qualitative interviews as a way of approaching the development of research questions, conducting interviews and drawing insights from them. GT was deemed suitable because such method of collecting and analyzing data would help to closely comprehend credit and livelihood activities in relation to power from the perspective of both male and female members of the household at the village level. The concepts and theories generated though GT method did not come directly from the data only but were worked out in relation to the data during the course of the research (Glaser *et al.* 1967). In addition, the use of GT being flexible in nature helped in such small scale and focused qualitative research (Richard *et al.* 2007). The qualitative approach to the research allowed for the following:

- an opportunity to probe beyond the initial responses of the interviews and be able to link research questions to both the history of the credit systems, their relation to livelihood and power relations at the village level;
- a good degree of flexibility that was needed in the complex context of Afghanistan where the discoveries will “do justice to their perceptions and the complexity of their interpretation” (Richard *et al.* 2007:30); and finally,
- a necessary focus on the point of views of the interviewees, allowing the researcher to pursue all the dimensions of the issue in interest, such as the direct and indirect impacts of informal and formal credit systems to the power relations, as well as the relevancy of the credit systems in regards to development aid, Afghan traditions and gender.

While conducting the fieldwork, there were two issues that I needed to consider. Although early understandings of GT require that the researcher should have a blank slate

and not form opinions prior to a fieldwork, but I did background readings and had discussions with NGO staff that prepared me for the field. However, I was deliberately conscious of those opinions and tried to have an open mind to new understandings and thoughts. Hence the objectives of the research and interview questions were changed and new ones were added through the course of the weeks spent in Northern Afghanistan.

Based on discussions on the methodology for data collection that would be relevant for such research in Afghanistan, semi-structured qualitative interviews and observational data collection were employed. During the initial phase, I used an approach that served me to get more acquainted with “who’s who in the community” and allowed me to ask questions at the expense of “making fool of one’s self” that is common during the first days of any field research (Richard *et al.* 2007). Hence the use of GT method was primary, combined also with participant observation from an ethnographic tradition that was used to help me in observing and describing cultural norms, perspectives and patterns that brought depth to the research (Richard *et al.* 2007 and Spradley 1979). As time passed, and I was more relaxed and was feeling integrated, I allowed myself to delve deeper into the data and explanations of the interviewees during the research. This approach allowed for a capacity to theorize since “[t]he root sources [sic] of all significant theorizing is the sensitive insights of the observer himself” (Glaser *et al.* 1967:251).

Data from field interviews and research aimed for interpreting the findings in terms of the meanings the Afghans brought into them. Qualitative methods aided the purpose of the research best since the aim was to learn from the participants in a setting or a process the way they experienced it, the meanings they put on it, and how they interpreted what they experienced (Richard *et al.* 2007: 30). Other methods, such that would produce quantitative data, were not amenable to obtain this type of data. Coordination of Humanitarian Assistance (CHA), a local NGO and partner of Norwegian Church Aid (NCA), had collected relevant information about the livelihood of most villages in the district, demography and other details, six months before my field work was conducted and were made available for this research (refer to tables 1 to 7). Hence, direct questions, such as the measurable indicators related to households’ livelihood, were not asked.

In the remaining sections of this chapter, I will discuss the methodological approaches used for choosing the study villages, selecting the interviewees, conducting the research, developing research objectives and questions, interpreting the findings as well as the challenges faced during the research.

## *2.1 Consent*

Obtaining consent, as a general principle, is a common endeavor among the research community. Primarily, for this research, acquiring consent was to consult, explain and inform all possible parties involved about the decisions, rather than imposing them before and during fieldwork. It was not meant to be a one-off process but it was ongoing throughout the research.

The possible location for the research study was discussed with the NCA office in Kabul. The researcher, research advisor and NCA agreed to conduct the study in Belcheragh District based mainly on the following reasons:

- the limited research in this particular district;
- the security situation in Belcheragh had improved relative to other districts that NCA was involved in;
- availability of NCA livelihood projects that were relevant for this research;
- the district's livelihood activities, ethnic background, remoteness, and little exposure to conflict are different from those described in the previously mentioned research papers; and finally,
- the district had no known history of MC, and was only recently exposed to such development aid schemes.

Soon after arrival to the district, a meeting was held between NCA Office (in Meymaneh) and four local partners; including CHA and Norwegian Project Office / Rural Rehabilitation Association for Afghanistan (NPO/RRAA). I informed the participants of the nature, the methodology and purpose of the study. The participants agreed upon two villages, Turkmaniyeh and Sama'i, based on the security situation, the two villages' involvement in training and MC, availability of NGO staff to assist in the interviews and the easy accessibility of the villages to local NGO offices, cooperative offices, market area, shopkeepers, government offices and the main road to Meymaneh.

The participants also agreed that CHA and NPO/RRAA would host the researcher in Belcheragh for seven weeks, alternatively each week. Then NCA obtained a formal consent from Deputy Province Governor of Faryab to conduct the research. Upon arrival to Belcheragh, NCA staff introduced me, along with the formal consent, to the district governor. According to NCA, this approach would exempt me from being questioned by the police during my stay in the area.

Qualitative research is labor intensive and time consuming. Since there was a period of seven weeks available in Belcheragh District during the months of June and July 2008, the number of interviews was constrained to 10 to 15 households per village from different social and economical backgrounds. In addition to the households, other key persons, local NGO staff members, governmental agents and grassroots organization leaders were included in the interviews. While in Belcheragh, together with the local NGO staff, we decided upon certain criteria for selection of households from the above two villages depending on:

- the wealth and type of the household (poor, medium and well-off, female-headed, etc.);
- the frequency of tapping from the available credit systems and types of credit provided or utilized by the household;
- the different types of previous or current livelihood sources of income (for example, shop-keeping, farming, laboring, carpet weaving;) and finally,
- the role of the household in the power relations within the village (for example, amount of credit provided, network and connections with sources of credit, previous role in opium economy etc.)

The collection of all data from the households took place mainly at the two mentioned villages with a few interviews and visits to other villages in the same district: Kawlian, Toghlamast, Charmaghar and Takht Balouch. Moreover, interviews took place with government officials, World Food Programme (WFP) and NGO staff in Meymaneh.

As per Kvale's suggestion, before conducting the interviews, I informed the interviewees of the purpose of the research, the possible uses of data concluded from the interview, that their involvement was voluntary and that the information would be confidential (Kvale 1996). The first interviews were taken with the key persons,

influential village members, heads of cooperatives and *Shura*<sup>13</sup> *Arbabs*<sup>14</sup>. Their approval of the study was vital considering the cultural background and hierarchal society. A list of interviews taken with number of participants per interview can be found in table 8.

Finally, the research findings were discussed regularly with both male and female NGO staff and in particular during the last week of the fieldwork. Moreover, I also planned to consult with several groups in the studied villages about the findings in case they might like to add more information or reflect on them. Unfortunately, only the male *Shura* members of Turkmaniyeh agreed to meet because of their availability during that particular week as well as their interest in the research findings. It was therefore not possible, during that short period, to include other groups, such as the female *Shuras*, cooperatives (male farmers) and MC committees (females), in the final discussions.

## *2.2 Research objectives and questions*

As mentioned earlier, while a preliminary literature review was conducted before the fieldwork to explore possible areas of interest, the specific objectives and research questions emerged during the fieldwork process (Glaser *et al.* 1967). After the first week of interviews in Belcheragh, new and more relevant objectives were put together and research questions were formulated to tackle them. The objectives and questions were further developed from one interview to another during the span of seven weeks as GT prescribes. In comparison, a few general questions were designed and phrased before the interview, but most of the focused open-ended questions were created during the course of the interviews, allowing both the interviewer and interviewees the needed flexibility to focus on and discuss specific issues (Angrosino 2002, Ervin 2000 and Bernard 2006).

The final set of research objectives and questions are found in table 9.

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<sup>13</sup> *Shura* is a council of men and/or women elected under the National Solidarity Programme (refer to next chapter for more details). The *Shura* is usually made up of older members of the community but not necessarily. The elderly are called either '*Reesh Sfedha*' (for men) or '*Mo Sfedha*' (for either men or women), referring to and literally meaning the 'white bearded men' or the 'white haired men or women', respectively.

<sup>14</sup> *Arbab* or *Malik* means master or landlord in Afghani and is a title used by tribal leaders in Afghanistan. In Belcheragh district, it was used for former or current leaders of a village. The *Arbabs* were historically representing the authority of the King or government, etc, up to recent changes in government structure and the introduction of *Shura* councils under the National Solidarity Programme (refer to next chapter for more details). After which *Arbabs* title was given to the elected chairman of the *Shura* councils.

During the interviews and when *ad hoc* conversations took place (considered as observed notes) a note-pad was used and field jotting was made on the spot (Richard *et al.* 2007). Apart from full transcripts of the descriptive and analytic notes from interviews, the field jotting helped by triggering what details I needed to recall after the interview or conversation that needed time to be written down. In addition, I took notes by continuously monitoring everything. This act was termed by Bernard as direct observation, for example, when I was watching people and noting their behavior on the spot or when time permitted, and I recollected those observations as faithfully as possible (Bernard 2006).

GT promotes a stance of refusal to accept outcomes of an interview at face value and therefore seek data from as many sources and events to form a theory (Richard *et al.* 2007). Hence, after the interviews, I noted down some observations, feelings and body language interpretations, as well as the interview setting –where did the interview take place? Were there others in the room? What influence did they have on the interviewee? Was the setting allowing the interviewee to speak freely? Was the interviewee nervous, co-operative or passive? These notes reflected how the interview took place and what insights sprang out of the interview.

Each interview lasted between one and two hours. The time spent with the interviewees depended on their interest and availability for the interview. Findings obtained from using a GT approach provided not just answers, but reasons behind them and allowed me to gain a range of insights on the specific keywords (Glaser *et al.* 1967).

### *2.3 Asking the questions*

To ensure that the interviewees felt comfortable enough to conduct successful semi-structured interviews and that ample attention was given to them, field notes were taken during the interviews instead of extensive note taking or a tape recording (Kvale 1996 and Bernard 2006). The interviews took place mainly at NGO offices (NPO/RRAA and CHA), but sometimes in public areas (several shops, *Shura* meeting room in Turkmaniyeh, agriculture cooperative meeting room, district governor's office, schools and handicraft workshops), and a couple of times at the interviewees' homes after getting the consent of the household. It was recommended by the NGO staff not to visit the

interviewees at their own homes because they would rather not welcome strangers. According to NGO staff, female household members are protected from meeting male strangers and if one is not careful a visit might be considered offensive by the male heads of the family. Only after the consent of the NGO staff and *Shura* leader of both villages, Turkmaniyeh and Sama'i, that the exceptional house visits took place for meeting with female interviewees and later to observe looms<sup>15</sup> used for carpet weaving.

Semi-structured interviews were conducted with an open framework that allowed for a conversational mode of communication and focused on general questions or topics then moved into specific relevant topics. As mentioned earlier, the questions related to the topics developed from one interview to another since the GT approach requires that the researcher distance him or herself from the concepts in the literature as much as possible while conducting the research, in order to reduce the risk of “brutally destroying one’s potentialities as a theorist” (Glaser *et al.* 1967:253). Open-ended, simple, easy and short questions were asked and some were repeated again in a different form when it was convenient to ask relevant focused questions.

Although it was a challenge to ask critical questions related to livelihood income (loans, mortgage, remittances), power relations, opium cultivation history and issues related to current power feuds, the interviewees were carefully encouraged to discuss sensitive issues and were listened to empathetically (Kvale 1996). The approach’s flexible nature helped in obtaining some additional unexpected significant information. Some of the unexpected information was related to power relations between the villagers and the history of opium cultivation in Belcheragh. In order to verify findings and or complete some information, some repetition was necessary and similar specific questions were often asked to other interviewees too.

The interviewees were also encouraged to express ideas and provide information that they deemed important (Kvale 1996). At the end of each interview session, first, the interviewees were asked if they have questions of their own and if they have other issues they would like to talk about (*ibid*). The interviewees were encouraged to share any other information that they felt was relevant, that would further develop the focused questions and that were not covered by my questions (Angrosino 2002, Ervin 2000 and Bernard

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<sup>15</sup> Loom is a weaving machine that turns wool thread or yarn into a carpet.

2006). Secondly, some clarifications were needed through the repetition of interviewee's statements but without imposing the interviewer's point of view to them. Some were encouraged more than others to explain more about relevant topics. Those that were not in need of further encouragement were from well off households, shopkeepers, *Shura* members and influential members of the villages. They were less reluctant to talk than interviewees from poorer households. Female interviewees that were interviewed in groups with female NGO staff members did not hesitate to express their problems and focused on relevant topics while a few females that were interviewed in the presence of male household members were providing short replies and little could be concluded from the conversation.

Bringing a facilitator from the host NGO staff members was extremely helpful as well as necessary to introduce me and act as translator whenever it was necessary. Both targeted villages had household members that understood Dari, but not all necessarily spoke it. During the interviews, some terminologies had to be translated by NGO staff from Uzbek and Turkmen languages into Dari and visa versa. However, some of the NGO staff had a tendency to impose answers to the interviewee. A necessary briefing was made with both male and female NGO staff in preparation of each interview, when it was needed. On many occasions, opportunities for more interviews were missed since the assistance of the NGO staff was on voluntary basis and the research was not prioritized.

During my stay, at the various NGO offices and or while traveling in public or NGO vehicles, the research questions were discussed and their opinions were noted down. Comparisons were made between urban and rural points of view, as well as various ethnic and social differences. The outputs of those conversations were also included in this research.

#### *2.4 Ethical considerations*

As Kvale pointed out, ethical and cultural sensitivity was very important during the interviews (Kvale 1996). The purpose of the interviews were explained to the interviewees in order to ensure that they appreciated what the research was about, its purpose, and to ensure privacy and confidentiality of what was discussed (Kvale 1996



and Bernard 2006). For example, when female interviewees were approached, local values were observed (where direct communication was avoided and the conversations took place through an approved upon third party mediator). NGO staff members took permission for the interviews with female household members in advance from both male and female members of the household as well as *Shura* leaders. The interviewer was placed at the end of the meeting room while the female NGO staff members sat in the middle and the female interviewees sat at the other end of room. All females, even NGO staff, had to be covered under the *Burkas*. Finally, this approach was also effective because women and men were interviewed separately, mainly to ensure that the female members of the households were free to express their views, and to thereby discover possible gendered differences in the focused discussions.

### *2.5 Decoding the findings*

For analyzing the output field research data and formulating the final “concluding theories”, the suggested mechanics of GT were followed as in the following steps (Bernard 2006:492):

- preparing transcript text<sup>16</sup>;
- identifying potential themes from the text;
- collecting and comparing all the data under specific themes,;
- linking the themes together;
- building theoretical models based on previous links and checking with data especially against negative case; and finally,
- using exemplars and quotes to illuminate the theory.

The aim was to work with data records to bring forth “concepts and linkages that might generate theoretical insight”; however, bearing in mind that the distinction between a method and a way of making data is not at all rigid (Richard *et al.* 2007:32). Inductive coding or open coding was employed where the researcher read the text and underlined or highlighted subjects of interest, and new themes and sub themes were collected as per Bernard’s suggestion: “The idea is to become grounded in the data and to allow

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<sup>16</sup> FileMaker Pro, a computer software functioned as a database management system (for organizing the transcribed interviews) was used in order to draw correlations between the outputs of the interviews.

understanding to emerge from close study of the text” (Bernard 2006:493). Actual phrases and original words in the interviewees’ own terminologies for certain reparative terms were used as well (*ibid*).

## *2.6 Challenges*

Some of the common challenges of the semi-structured approach were also visible in the process of the research. The first of these challenges were the generalization of and difficulty in replicating the findings, as well as the abundance of information surfacing during the interviews. In addition, household income is a sensitive topic among the Afghans; shame is connected with either providing credit that creates patronage or asking for it, which illustrates household neediness. Similar research confirms that honor and status do play “an equally important role when making decisions about lending and borrowing” (Andersen *et al.* 2008-a:iv). Hence, collecting accurate findings was notoriously difficult, especially among wealthier households (Roe 2008 and Kantor 2009). Finally, most of the interviews faced little interruption, but it was difficult to keep farmers and shopkeepers focused and wanting to discuss some questions, more so when they had to go back to work, while some questions were considered similar and in certain situations were rather repetitive. Similar problems were encountered by researchers across the study sites that were related to selecting of households, maintaining engagement of the community in the study, obtaining credit-related information and accessing female household members (Kantor 2009).

One of the main challenges was to find opportunities to conduct interviews with female members of the households. Knowing that I might be facing such a challenge, I approached some other NGO partners of NCA (other than CHA and NPO/RRAA) that conducted training for local female participants in the MC scheme. The field officer from that particular NGO refused to aid a male researcher to interview female Afghans from that area under the pretext of it being unethical. However, the reasons for that were not clear for me whether they were related to ethics only, since interviews, similar to what I had intended, were conducted earlier with the presence of male staff members from the same NGO. My second attempt was to conduct the interviews with the help of the male *Shuras*. On the day of the interview, I was surprised that the arrangement was

decided upon where I would interview a male NGO staff, which in turn will translate my questions from Dari to Uzbek to the head of the male *Shura* of Turkmaniyeh, which in turn will translate my questions from Uzbek to Turkmen to the father or husband of the female interviewee. He would then relate my questions to the female interviewee and return her reply via the same tortuous route. This farcical setting helped in understanding the cultural context of Turkmaniyeh village and the ethical significance of the arrangement and my request. My last attempt was to convince female NGO staff of CHA to organize, ask for consent and help me conduct interviews without the presence of any male villagers. Such arrangement was doable and needed little organization. However, there could have been more similar interviews if the female NGO staff were not preoccupied with their own projects in different villages and had little time to spare for my research. I concluded that stating that male researchers will be challenged in finding consent from the community to conduct interviews with female household members is a generalization. In fact, other factors, including personal ones, could interfere with the consent process where the challenge is mainly in finding the best arrangement in the context of the research area that would not risk the researcher or the assisting partner NGO.

Another challenge was the difficulty to eliminate the personal equation in the fieldwork (Bernard 2006). Bernard asks the researcher to evaluate the applied approach and reflect on how he or she was identified and categorized by the interviewees. The fact that I was looked upon as a young male from Iran came with its own preconceptions from the perspective of the interviewees. Topics such as remittances from Iran were carefully discussed since the interviewees might have suspected that I could report findings related to remittances back to my government. Since almost all of the Afghans in Iran were illegal working migrants, they had to generalize, and not point out at households. During the process of the research it was found that not all households had family members in Iran, which meant that the generalization that all villagers were getting remittances was not true, but was some of the early interviewees' way of not pointing fingers to those households that do have family members in Iran, including themselves. Another challenge was associated with shame and honor, since some might consider talking about credit, charity (giving or taking) or power leverage more comfortably with a stranger

from Europe than with an Iranian that understands their language, culture, body language, and is able to read them. On the other hand, however, some felt comfortable to do so. The same preconceptions also helped in some interviewees to open up and discuss various issues related to power, opium, and feuds among the villagers, as well as allowed interviews with female members of the household to take place. Understanding Dari also helped in situations where I found myself walking the streets and meeting people that eventually lead to some discussion and *ad hoc* interviews, including some discussions in villages outside the research area.

To the best of my abilities, I respected the traditions of the researched communities, by wearing native clothes, eating their food and spending time with the interviewees during informal times (Bernard 2006) to make the interviewees feel comfortable enough with my presence. It was interesting to note that the locals were constantly testing me, for example, by asking me to point out the direction of Mecca just before prayer time. The last challenge I faced was the reliance on NGO staff to help out with interviews taken outside the NGO offices. I was asked to never go out for an interview without an escort, mainly for security reasons. Although it was necessary and appreciated that I was away from possible harm, the lack of availability of NGO staff for conducting interviews outside the NGO offices made it difficult to run and organize as many interviews as possible –compared to if I had the option of doing so on my own.

## Chapter 3

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### Context and Study Area

I have been fascinated with Northern Afghanistan for almost two decades before I went there. The first time I got addicted to the newspapers' international news section was summer 1991. That was the period when the *Mujahideen* forces in Afghanistan were starting to seize power over Kabul and the country. I was intrigued about all those political and military actors as I unfolded pages and articles about the conflict. Back then; I could not have imagined that 17 years later I will be crossing the Salang Tunnel<sup>17</sup>, passing by Panjshir Valley where Ahmed Shah Massoud<sup>18</sup> came from and traveling to the northern provinces where General Abdul Rashid Dostum and General Abdul Malik Pahlawan<sup>19</sup> formerly dominated. In fact, before going to the study area, I knew little besides some historical facts and stories. However, some interviewees throughout the field research disclosed most of the historical background mentioned in this chapter, especially about the district and studied villages.

This chapter tackles a brief and general background of the current state of the country, some of the Afghan social norms and traditions that are relevant to the credit systems, social networks and power relations, and some brief information about the state of current development aid in Afghanistan. The chapter will then focus on the study area: the province, the district and the two villages where the field study took place. Then I will end with some information about the development aid actors working in and around the study area.

#### *3.1 A peek at Afghanistan*

To a certain extent, it can be held true that the geographical location and terrain play a part in the history of a country and might shape the nature of its people (Rashid 2000).

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<sup>17</sup> The Salang Tunnel links north and south Afghanistan across the Hindukush mountain range.

<sup>18</sup> Ahmad Shah Massoud was a former Tajik military commander based in Badakhshan province.

<sup>19</sup> General Abdul Rashid Dostum and General Abdul Malik Pahlawan were former Uzbek military commanders based in the northern provinces. They are currently serving as politicians.

Afghanistan, a doorstep to major nations (India, Iran, Russia, and China) had to face many occupiers during the past centuries and partake in many battles (Jones 2006). The country as we know it now was born as an outcome of negotiations and a sequence of wars between the British and the Russian Empires (Kolhatkar *et al.* 2006) with borders that encircle a multi-ethnic community, similar to other borders<sup>20</sup> determined by colonial power schemes, conflict and competition in other parts of the world.

Afghanistan is a mountainous country with a semi-arid landscape that produces resilient, proud and determined people, similar to desert-people that are hardy and survive extreme environments (Dobie 2007). Generations of Afghans have been defiant towards invading forces (Jones 2006). During the past thirty years, the Afghans had to endure the consequences of two occupations, four different types of governments coupled with ethnic and sectarian struggles for power that has been polarizing the region dramatically (Kolhatkar *et al.* 2006). This conflict not only exported Islamic fundamentalists that have been launching attacks all over the globe (Rashid 2000) but also brought the development of Afghanistan to a standstill, with catastrophic effects on education, health and infrastructure.

Before 2001, the conflict had already caused tremendous loss in human lives, sufferings of all sorts and destruction of infrastructure. Around five million Afghans were refugees in Iran and Pakistan, more than one million lost their lives, and 700,000 were left physically and mentally disabled (Strand *et al.* 2001). By the mid 1990s, the number of widows due to the conflict was estimated to be more than one million (FAO 1997) and currently different sources estimate it to be 1.5 or even two million. Women are still facing situations where they are abducted and raped, yield to forced marriages and are traded for debt payments (Amnesty 2005). Approximately 34 per cent of the population is literate where one out of every two men and four out of five women aged 15 or above cannot read or write (Khoram 2009). The Afghans are afflicted with massive 40 to 60 per cent unemployment (Dansie 2009) and most of the population is suffering from poverty comparable to sub-Saharan Africa (Oxfam 2007). On the other hand, when considering overall achievements after so many years of conflict, we note that more than

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<sup>20</sup> The British Empire drew the Durand Line, by the late 19<sup>th</sup> century, a 1610 mile border between Pakistan and Afghanistan, which divides Pashtun tribes and land arbitrary between the two countries (Rubin 1995).

two million refugees have returned to Afghanistan, highways linking major cities are being built, national security forces have been formed, democratic institutions and ministries have been established, women have been given legal rights to work and are guaranteed a role in the political milieu, millions of children have been enrolled at school, health care and education sectors have expanded, the new national currency is relatively stable and commercial construction is booming (Constable 2007 and Waldman 2008).

However, there is a national and international commitment to preventing Afghanistan from backsliding into another round of civil unrest, war and anarchy. Several main concerns are summarized as: the fear of Afghans from the attacks of insurgency, national and international military forces, from the corruption at all levels of the political and civil bodies –especially from the police force, from the political targeting of aid, and from high unemployment (Dansie 2009). Other main concerns for the Afghans and donor countries are that the state is lacking proper legitimacy (Constable 2007), the state is fulfilling the classic conditions of a foreign-financed ‘rentier state’ (Wennmann 2005), the state is nurturing former warlords and other profiteering strongmen, the rest of the country is resembling, to a great extent, a ‘narco-mafia entity’ (Kolhatkar *et al.* 2006), and finally the conflict is based on a melting pot of ethnic religious and other grievances influenced by geo-political objectives of neighboring countries (Rubin *et al.* 2008). Moreover, certain actions by the international community and military forces are also countering the commitment for state building, such as the lack of coordination of aid funds (Waldman 2008) and military operations that continue to claim civilian victims.

The Afghan National Police (ANP) is ill equipped as an enforcer of the law and they have mainly been used to fight the insurgency rather than crime (ICG 2008). In a country with tribal traditions and structure, the introduction of Western justice reforms have been seen as an anti-religious movement and the police are seen as a “militia” arm of the government [an institution that is untainted by perceptions of democracy] and not as holders of justice. In addition, most policemen are illiterate, lack the proper training and are often recruited through informal networks (Wilder 2007). Traditional tribal leaders, warlords and other strongmen [some of which have political legitimacy] have armed followers whom they mainly use to “coerce obedience from the surrounding

population” (Giustozzi *et al.* 2006:2). The police force, on many levels and according to Afghans, serves the same purpose.

In conclusion, the situation in the country has implication for rural Afghans. For example, the absence of a state that can provide security, sources of livelihood and even access to credit, is likely to strengthen the dependency of rural Afghans on alternative powers. Potential alternatives are likely to be strongmen that have access to land, suitable networks and credit and thus are able to yield power at village and or district level (Meagher 2009). The dependency of rural Afghans on strongmen is not only an option but also perhaps an economic and social institution beyond just its traditional trends. How are these strongmen able to exercise their power? How is this dependency related to the culture, tradition and tribal values?

### *3.2 Culture, traditions and tribal affiliations*

To further understand power relations in Afghanistan, a brief look at several characteristics that determine this country’s culture and traditions is useful: for example, the diversity of its ethnicity and religion, and the tribal system where a hierarchal pyramid systems prevails. Afghanistan is the crossroads for Middle Eastern, Central Asian and South Asian countries, and this influences its culture and traditions. The invading nations of the past have introduced tribes and nations that mixed the region’s ethnic identity (Kolhatkar *et al.* 2006). The word Afghan was used to indicate the Pashtun ethnicity, but now the name identifies a nation that is made of Pashtun, Tajik, Hazara, Uzbek, Turkmen and others (Jones 2006). The interests of both the British and Russian Empires determined modern Afghanistan’s boundaries: the borders of the country were arbitrarily drawn through lands occupied by Pashtun tribes as well as several ethnic groups (Rubin 1995). Hence, each ethnic group identifies with other similar groups or nations who speak their language and share common culture. This determines one of the characteristics of the Afghans: their loyalty mostly lies first with local leaders, then the tribal leaders, and then the ethnic or religious group which is ethnically or religiously related to a neighboring country. For example, Tajiks have common interests with Tajikistan, Uzbeks with Uzbekistan, Turkmen with Turkmenistan,



Hazaras with Iran and Pashtuns with Pakistan. To a certain extent such affiliations predominate the Afghans' sentiments rather than the sense of nationhood.

The majority of Afghans follow the Sunni branch of Islam with around twenty percent being of Shiite minorities. Although the Sunni Afghans are mainly of the Hanafi School, the most liberal of the four schools of Sunni traditions, during the last few decades more fanatical and rigid variations of Islam have been introduced to the country; one of which is *Wahhabism*, a very conservative Sunni Islamic conviction that has its origins from the Kingdom of Saudi Arabia<sup>21</sup>. The Taliban adopted this doctrine through religious schools in Pakistan that were funded by the *Wahhabies* from Saudi Arabia (Rashid 2001) and combined the doctrine with Pashtun codes of honor, or *Pashtunwali*. This type of discourse was not alien (Moghadam 1992) but was already a pervasive part of the society, even before Taliban seized control of most of the country by late 1990s and implemented their ideology of radical Islamic fundamentalism. Although the different ethnic and religious groups in Afghanistan are diverse in culture and language, they share many of the same qualities that are found in other Central Asian countries. The main common qualities among most of the Afghans are their resilience and reliance on religious doctrine colored by tribal traditions (Jones 2006) such as the case with the Taliban. Moreover, Afghans are very proud of their tribe, ethnicity, land and religion. In tribal, traditional and less privileged societies, the sense of survival depends mainly on the vital cooperation and support within the extended family – the main source of social security and welfare. The family and tribe's business is strictly private, in fact it is considered sacrosanct; where the male head of the family has absolute power and decision over financial matters, livelihood sources, and where the welfare of the women in the family belonging only to the family (Jones 2006). Hence, Afghans consider family control by outsiders including the government –whether related to financial matters, education, gender roles, etc. –as interference in their private affairs. Financial issues, for instance, are not only a private affair but also a matter of honor and shame if it would be an open discussion with a stranger. For example, the West's questioning of gender roles

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<sup>21</sup> *Wahhabism* is a conservative form of Sunni Islam attributed to Muhammad ibn Abd-al-Wahhab, a strictly orthodox sect from Saudi Arabia that spread and taught in other Islamic countries, such as at the *Madrasahs* in Pakistan, where most of the Taliban were recruited (Kolhatkar *et al.* 2006). The doctrine claims to be inspired by the religious and cultural practices from the times of the Prophet Muhammad (PbuH) around 600 A.D. (Murshed 2006).

in Afghanistan society is often misunderstood, by Afghan men and women, as an attack on their fundamental value system; more so, as an attack on Islam itself (Karlsson *et al.* 2007).

*Hierarchisation* is another key characteristic of Afghanistan that elaborates the dynamics of its tribal structure. During the past few decades, warlords have emerged from that hierarchy and the strongest among them were the tribal warlords that have both military leadership and can claim a role as tribal leader (Giustozzi *et al.* 2006). Almost all of these warlords have combined religious fundamentalism in their strategies to increase their legitimacy. The pyramid of Afghan strongmen starts with these warlords on the top and continues down to district commanders, then to local commanders at the village level. Each yields power and control over resources and land. The origins of the inequality in rural Afghanistan stems from land being controlled by the few (UNODC 2003). Land is linked to agriculture output, labor and credit (Klijn *et al.* 2007). Access to land provides all three and increases power of the strongmen.

In conclusion, this pyramid is a mesh of ethnic and religious elements that legitimize the power of the few. The strongmen provide security and access to resources such as credit and land in return for loyalty and support. What has the development aid from the international community, along with the Afghan government, been providing and how successful has it been in offering alternative sources of livelihood for rural Afghans, away from the power of the strongmen?

### *3.3 Development aid in the country*

Apart from the suffering caused by 30 years of conflict, Afghanistan was hit during the 1990s by one of the worst droughts in living memory, which has continued more or less up to date. The drought has led to unemployment, reduced the amount of wheat yields, massively reduced the national livestock population and increased food prices (Oxfam 2008). The international community showed its commitment during several conferences to assist the state-building and economic development of Afghanistan (Rubin *et al.* 2008) but there are many challenges that are not allowing such aid to reach the target

communities<sup>22</sup>, one of which is that development aid has been so far too centralized, top-heavy, insufficient and lacks proper coordination (Oxfam 2008). “Too many projects are designed to deliver rapid, visible results, rather than to achieve sustainable poverty reduction or capacity-building objectives” (Waldman 2008:2). In general, instead of having aid responding to needs of the Afghans, it has been supply-driven by donor priorities and as a result, millions of rural communities are still facing severe persistent poverty and food insecurity (Waldman 2008 and Oxfam 2008).

Another challenge is that post-conflict state-building efforts might often lead to unfavorable situations contradictory to its objectives and lead to strengthening the already existing traditional power structures and the strongmen behind them. For example in Afghanistan, external grants and development state-building aid, coupled with opium production, trade and trafficking has shaped the political-economic space and facilitated the development of non-governmental profiteering groups and an elite state class (Wennmann 2005 and Kühn 2008). As manifested in Afghanistan, a rentier state is not “conducive to either economic development or the evolution of a democratically accountable government” (Suhrke 2006:16). With low government revenues, international assistance constitutes around 90 per cent of all public expenditure in the country, thus how it is spent has an enormous impact on the lives of almost all Afghans and will determine the success of reconstruction and development (Waldman 2008).

Most of the aid does not go to the agriculture sector. Agriculture, the main source of employment in the country, received only 300 USD million to 400 million USD of the over 15 billion USD of international development aid given to Afghanistan since 2002 (Oxfam 2008). “Most aid has been directed to Kabul or other urban centers, rather than to rural areas where it is most needed and more than three-quarters of Afghans live. At a macro level, areas such as agriculture have been under-resourced due to a lack of prioritization” (Waldman 2008). In fact most of the aid goes to national and international military forces. According to Agency Coordinating Body for Afghan Relief (ACBAR),

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<sup>22</sup> There has been several conferences since 2001 and up to 2008, mentioned in Rubin *et al.* 2008, including: International Conference on Afghanistan (Bonn 2001), International Conference on Afghanistan (Berlin 2004), International Conference on Afghanistan (London 2006), International Conference on the Rule of Law in Afghanistan (Rome 2007) and International Conference on Afghanistan (Paris 2008). After 2008 there has been three other conferences: International Conference on Afghanistan (Moscow 2009), International Conference on Afghanistan (The Hague 2009) and International Conference on Afghanistan (London 2010).

since 2001, the United States alone has appropriated 127 billion USD for Afghanistan mostly to be spent by the US military and it is estimated that the US military spends 100 million USD per day, while all the international aid provided by all donors is woefully inadequate at just 7 million USD per day, which is causing significant disparities in the geographical distribution of aid (Waldman 2008). It is interesting to note that an estimated staggering 40 per cent of funds have returned to donor countries through either corporate profits and/or consultant salaries and “one quarter of all aid to Afghanistan has been allocated to technical assistance –which is intended to build government capacity – yet much of such assistance has been wasteful, donor-driven and of limited impact” (*ibid*:2). Different donor countries have been conducting different strategies by channeling funds to governmental agencies, Provincial Reconstruction Teams (PRTs) and/or NGOs. In addition to the lack in funds, Waldman adds, there is a lack of unified effort for coordination between NGOs, governments and other entities (Waldman 2008 and Oxfam 2008).

Meanwhile, the country has seen less development progress than expected: electricity supply is not enough, poverty and unemployment are evident in both rural (as high as 50 per cent) and urban areas, opium production is on an increase, insurgency attacks are escalating, smuggling networks are thriving, criminality and corruption are abundant, and discriminatory acts against women are still continuous (Rubin 2006, Jones 2006 and Oxfam 2008). Too often the promotion of the capabilities, status and rights of women in project designing and or executing, is an afterthought or perfunctory consideration (Waldman 2008). Before and after 2001, some donor countries have repetitively voiced women’s rights, mainly USA, as a key for a better future of Afghanistan (Kolhatkar *et al.* 2006). However, the Afghans have other opinions on that. In fact, many consider the bona fide afflictions of women as not being due to the imbalanced gender roles but rather due to the war-torn, poverty-struck, neglected environment where they live (Daulatzai 2006).

Moreover, international community’s state-building assistance has produced governmental agencies where funds are monopolized, channeled and distributed by a corrupt elite group, whereas opium production contributes to a similar economy but controlled by drug traders and traffickers (Kühn 2008). In fact, extreme dependence

undermines the legitimacy of the government, contributing to rising inequality and generating popular frustrations (Suhrke 2006). Due to past aid practice (mainly by USAID during the 1980s and 1990s) the traditional power system was reinforced and such aid was characterized by free handouts, no monitoring, and full trust in the military strongmen and traditional “feudalists” that were seen as the people’s representatives (Strand *et al.* 2001).

After 2001, since many warlords and other strongmen have been given a rather large share of the power, this hierarchical system has been preserved under a modernized western model of government and they control the flow of development aid, contribute to the existence of the opium economy as well as dominate tribal, religious, district and provincial leaderships (Kolhatkar *et al.* 2006). Finally, the dependence on foreign funds encourages accountability of the government towards the foreign donors rather than its own citizens that counters the basic principles of democratic development (Suhrke *et al.* 2004).

The impact of NGO projects is not very different, although efforts have been made to avoid reinforcing traditional power systems. But it has been noted, however, that aid projects at the local level are probably “skewed toward the better-off” in the rural areas, even when the projects aim to alleviate the vulnerable members of the community (Nyborg *et al.* 2008 and Klijn *et al.* 2007). However, the glass is not always half empty; there are cases of well-delivered aid, for instance, in the education sector or MC projects that have been implemented along with community-based rural development projects that have made a significant difference (Waldman 2008). The delivery of MC, as one of the main livelihood projects, has been widely implemented by local and international organizations. As mentioned earlier, MC was prioritized after 2001’s reconstruction phase and was meant to stabilize livelihoods, create jobs, stimulate economic development and improve productive assets (Kantor 2009). Such above-mentioned development projects were coupled with programs that took into consideration the voices of the rural Afghans. The NSP<sup>23</sup> is an example of that. Generally speaking, the latter

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<sup>23</sup> The Afghan National Solidarity Programme (NSP) is an initiative by the government of Afghanistan, in collaboration with several governments and international organizations, aimed to rehabilitate and develop rural areas of Afghanistan by developing the communities to identify, plan, manage and monitor their own development projects. Website accessed January 2010 (<http://www.nspafghanistan.org/>).

program has been impacting several state planned targets including for instance governance, livelihood and conflict resolution.

### *3.4 Faryab Province and Belcheragh District*

Faryab Province is situated in the western part of the northern region of Afghanistan, bordering Turkmenistan in the west and north, Jawzjan and Sar-e-Pul Provinces in the east, Ghor Province in the south, Badghis Province in the south-west and Meymaneh as its capital (ANDS 2007). Faryab derives from a Farsi word meaning “lands that are irrigated by diversion of river water” which also describes many of its rural areas, since the villages are situated along rivers that cross the province’s mountainous terrain. According to Afghanistan National Development Strategy (ANDS 2007) report, around two thirds of Faryab is mountainous or semi-mountainous terrain, while most of the remaining is made up of flat land (ANDS 2007).

Some of the key characteristics of relatively high altitude mountainous economies include: limited agricultural area, marked seasonality, remoteness, and diverse household activities (Pain 2008-a). To achieve household food security in Faryab, the Afghans have diverse livelihood practices and activities, from farming to carpet weaving, seasonal labor, migration, etc. However, agriculture activities<sup>24</sup> and animal husbandry<sup>25</sup> are the main economic activities in the province. In fact, Faryab has been named the wheat basket of Afghanistan, most of which is rain-fed (Bauck *et al.* 2007). In addition to wheat, sheep wool<sup>26</sup> is one of the province’s main produces whereas fruits and vegetable yields are primarily for local consumption.

The population of Faryab is around 834,000, made up of around 122,000 households with an average of 7 per household (ANDS 2007). The major ethnic groups living in Faryab province are Uzbeks and Pashtuns followed by Tajiks and Turkmens. Over half of the population speaks Uzbeki. Warlords and military commanders still have influence in the province but the main military and political power is headed by General Rashid Dostum, and his Jombesh-e Melli Islami-ye Afghanistan (National Islamic

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<sup>24</sup> The main crops grown in Faryab Province are wheat, barley, maize, potatoes, flax, grapes, fruits, nuts, alfalfa, clover and various vegetables (ANDS 2007).

<sup>25</sup> The province is renowned for its carpet production, which is traditionally undertaken by women (Bauck *et al.* 2008).

<sup>26</sup> Only *Kharakoul* sheep was mentioned in Bauck *et al.* 2007.

Movement of Afghanistan), claiming to represent the Uzbek population and as a defender of Uzbek interests (Bauck *et al.* 2007).

When Afghans in Faryab were asked to list those that they regarded as most influential in their province, the majority listed the Afghan Police, though many included the Jombesh-e Melli, the Governor and General Dostum (Bauck *et al.* 2007). In fact, the governor, albeit appointed by the central government in Kabul, is dependent on General Rashid Dostum, the regional power broker (AREU 2004). According to what I observed, that held true by summer 2008. Although it is generally known that rural villages and districts' appointed and elected governmental entities are either "non-existent or weak and ineffective," with limited, insufficient and inadequate human and financial resources which have unclear or overlapping responsibilities (Oxfam 2008), Faryab Province has seen relatively less conflict during the past three decades than some other provinces (Bauck *et al.* 2007). This condition allowed Faryab to have less damages to its governmental infrastructure, if any, and power structures which have been with General Dostum before and after the few years of Taliban rule.

In 2007, President Hamid Karzai paid the province a visit, the first by a Head of State since before 1973 (Bauck *et al.* 2007). The Faryab rural population had been historically looking upon the government, its judiciary, army and police, as representatives of oppressive and extortive authorities. The local provincial and district authorities that were appointed by General Dostum and then the Taliban in the 1990s neither addressed the concerns nor protect the interests of the population and their tasks were primarily to ensure political and military control, forcefully recruit armies and collect taxes (*ibid*). Many districts have been inaccessible to Afghan government employees as well as for foreign armies and have historically been defiant against the state power, harboring more traditional identity. Currently, lack of trust, to a certain extent, still exists towards the governmental authorities as they are still seen as corrupt representatives of an oppressive authority (*ibid*).

There are 13 districts in Faryab. The northern districts belong to the more flat and arid landscape whereas the south and south-eastern provinces are more mountainous and inaccessible. Belcheragh District belongs to the latter region, although it is not so inaccessible as Khohestan District. Since the province saw less conflict relative to other

provinces there were less returnees and refugees, but instead they had many migrant workers in neighboring countries. Literacy rate is less than 40 per cent, with some reporting that female literacy is only around five per cent but since education was introduced to the province, more girls than boys are seeking higher education (Bauck *et al.* 2007). However, and because of historic lack of emphasis on education in the province and the adherence to patriarchal traditions, women have had relatively less access to decision making, especially in its rural areas. Reports claim that Faryab, compared to some other provinces, has a powerful patriarchal tradition that exploits women and has an extremely high prevalence of domestic violence, including rape, but the situation of women is ascribed more to the long-established tradition than to the recent years of conflict and war (*ibid*).

### *3.5 A brief history of the study area*

Afghanistan was under the rule of King Mohammed Zahir Shah for four decades until the King's brother-in-law, Mohammed Daoud Khan, in 1973, instigated a bloodless coup and established a republic where he was proclaimed the first President of the county (Rubin 1995). In 1978, a communist party lead by Nur Mohammad Taraki, Babrak Karmal and Hafizullah Ameen overthrew the government of Mohammad Daoud and launched a new regime, renaming the country as the Democratic Republic of Afghanistan (*ibid*). The change in the country's regime had an influence over the political power in some of the rural areas. According to the interviewees, this change also affected Belcheragh and the districts around it.

Two other districts, Gurziwan and Kohistan, in the south of Faryab Province are of concern to the studied district of Belcheragh (refer to Map 1). The districts of Gurziwan and Belcheragh were administratively divided twice. The districts were last divided in 2005 but the first time was after the revolution of 1978 where the district was divided into two, the administrative capital of Gurziwan remained as Serjekan and Belcheragh had its first administrative capital. That was when government employees arrived to Belcheragh to establish some administrative rule for the first time.

During the same years, when the central government in Kabul was being toppled from the King to republic, an Islamic opposition started in the district of Kohistan. The



district was barely accessible even up to summer 2008. Since during the 1970s no government official or soldier could go there, the people of Kohistan decided to establish their own Islamic traditional rule and hence an opposition to then a recent ruling communist government. Kohistan's strongmen supported two main grievances: the government's persecution of the clergymen and then the arrival of the Soviet Army. The rich landlords of Kohistan also benefited from the opposition and they in turn supported and shared the power with the Islamic factions and created militias. The opposition moved from Kohistan to Gurziwan and then to Belcheragh where every institution – schools and government offices – built by the government was seen as a symbol and was destroyed or burned. They also hanged some officials and teachers under the pretext of them being communists, but in fact it was to scare the population away from the central government of Kabul.

The opposition that had evolved into partisans fighting the Soviet war machines was known as the *Mujahideen*, and they started using mosques and opened *Madrassas*. At these schools, predominantly, Islamic principles and teachings were provided for a certain number of boys (whose parents could afford to let them study and not work in the field), and only boys. It was mentioned during the interviews, that not all the boys were taught by the *madrassa*; leaving the majority illiterate and the few only knowledgeable in tradition rather than core values of the religion. The government that followed the invasion of the Soviet Army had no presence in Belcheragh. The Soviet Army did not venture into the rural areas and districts in Faryab, I was told, but only confined their activities to aerial bombing.

Even the newly established *Mujahideen* government in April 1992 (Rubin 1995), had no governmental presence in the area. Since the north, and Faryab Province in particular, belonged to the area under the control of General Abdul Rashid Dostum, he appointed the district governors and was in alliance with local strongmen. Known as *Qommandan*<sup>27</sup>, local strongmen with military power had control of several areas within a district or had control over one or more districts. North of Belcheragh had a *Qommandan*

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<sup>27</sup> *Qommandan* is an Afghan rendering of the English word *commander* (Christensen 1995:65)

by the name of Engineer Mehdi, who was a supporter of the Hizb-e-Islami<sup>28</sup> and he influenced and controlled the district. The Hizb-e-Islami, a Sunni extremist organization, forbade Belcheragh population to have formal education and or to communicate with outsiders. They harassed the families of those living outside the district, and even those living in Meymaneh. Mehdi intentionally kept the community away from influences of political communist ideals of that time<sup>29</sup>. However, nowadays, Hizb-e-Islami has less influence in the province and is considered marginalized (Bauck *et al.* 2007).

When the Taliban came to the region during the late 1990s, and brought a more extreme and traditional ideologies than Hizb-e-Islami. A *Qommandan* by the name of Hashim Habibi, from Gurziwan who was in charge of that area of the province, betrayed Dostum. It was said that he was bribed by the Taliban and without the Dostum's consent signed an alliance with the Taliban and gave them safe passage into Faryab. In return for such service, the Taliban did not bother Habibi and did not pressure or kill citizens in Belcheragh and Gurziwan districts. The Taliban had a military present in both districts but did not fear its people because they were neither political nor rebellious and had already been carrying out the traditional Afghan and Islamic norms, which did not contradict with *Wahhabi* doctrine. However, the Taliban gave more immunity and support to Pashtun villages in the districts, which were looked upon negatively by the majority of Uzbek and Tajik villages. Moreover, some Taliban soldiers were reputed to have leaders either from Pakistan or former Afghan refugees that did not speak Pashto, Uzbek, Turkmen or Dari, they spoke only Urdu. However, the Taliban introduced a lucrative livelihood source to the province, opium trade. The cultivation of opium poppies, harvest and trade continued for several years after that.

After 2001, the northern leaders in Faryab Province had joined the '*Jabha-yi Muttahid-i Islami-yi Milli bara-yi Nijat-i Afghanistan*'—United Islamic Front for the

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<sup>28</sup> *Hizb-e-Islami* is an Afghani name that literally means the 'Islamic Party'. It is an Islamic Sunni organization commonly known for fighting the Soviet occupation of Afghanistan. Led and founded by Gulbuddin Hekmatyar, it was established in Pakistan in 1975 and grew out of the Muslim Youth organization, an Islamist organization founded in Kabul by students and teachers at Kabul University in 1969 to combat communism in Afghanistan. Its membership was drawn from ethnic Pashtuns, and its ideology from the Muslim Brotherhood (Roy *et al.* 2007:132). In 1979, a *qommandan* called Mulavi Younas Khalis split from the party and established his own *Hizb-e-Islami*, also known as the Khalis faction.

<sup>29</sup> According to an NGO staff member, currently, some of the villagers of Kawlian, in Belcheragh district, were still influenced by *Hizb-e-Islami*.

Salvation of Afghanistan' (UIF), that is commonly known as the Northern Alliance. UIF, along with international troops, retook Northern Afghanistan from the Taliban. Afterwards UIF accepted the new government in Kabul and governmental institutions started to establish thereafter.

### ***3.6 Turkmaniyeh and Sama'i villages***

The researched villages, Turkmaniyeh and Sama'i, are located close to the village of Belcheragh, the capital of a district that bears the same name. Belcheragh District is found in the south-eastern parts of Faryab province, around 55 kilometers east from Meymaneh, the capital of Faryab Province. According to government figures, around 42,000 inhabitants live in the district and they are divided into ethnic groups: Uzbek (the majority), followed by Tajik, Pashtun and Turkmen (ANDS 2007). However, CHA provided other figures from the survey they had in 2007. CHA covered 40 villages in the district, out of around 62 villages, and according to Table 1 (refer to appendixes), there are around 61000 inhabitants divided among 10,000 households. According to Table 2, the ethnic distribution was Tajik as the majority, followed by Uzbek, Turkmen and a Pashtun minority. Both villages had similar female and male constituents as well as similar demographic distribution (refer to Table 1 and Figure 1).

Most villages in this district are located along the river-valley of Belcheragh River similar to most villages in mountainous areas of Afghanistan that are settled around cultivated land (Roe 2008). Several villages form a cluster around Belcheragh village and in many ways one could not tell them apart if it was not for the small blue billboard mounted by CHA at the beginning of each village. Hence the research villages are closely linked to each other socially and economically.

The only public facilities located within Belcheragh centre and in-between Turkmaniyeh and Sama'i villages were the District Governor's office (that includes other governmental entities, like the ANP), a mosque, a bazaar full of shops, a pharmacy, some NGO offices (that included a tuberculosis clinic) and a restaurant. Belcheragh shops sold a variety of agricultural inputs, food and non-food items. However, not all types of vegetables and fruits were available during the week. Mostly, seasonal fruits and vegetables (including legumes) could be found. The cluster of villages had every

Wednesday as the market day where cloth, saddles, salt, legumes, fruits, wheat and even potatoes were available. Some Wednesdays they ran out of potatoes and fruits because there was none or not enough. The quality of the available vegetables was much lower than Meymaneh while the seasonal fruits were as good. In general, the quality and quantity of food and non-food items reflected the less privileged conditions of the district, compared to Meymaneh.

A newly constructed school was 30 minutes walk outside the centre and another was still under construction and was located just outside Sama'i village. No public health clinics or other facilities were available. There was one pharmacy in the centre of Belcheragh. A governmental agriculture centre was available but not functional according to the villagers and NGO staff. A tuberculosis clinic – supported by a NGO – was available, but for more serious illnesses the Afghans had to travel to Meymaneh. Table 3 shows how far the distance is for villagers around Belcheragh to the province capital. Transportation (by car, van, truck or motorcycle) was the only way for the villagers to commute to Meymaneh or to other northern province centers. In general, the road was rugged and was hardly fit enough to be used by normal cars or vans. The 55 kilometer trip to the capital of the province took four to five hours, depending on the mode of transport (a four-wheel drive or not). The road was not yet paved by summer 2008 and many parts of it was not even defined, but rather improvised by the vehicle driver, especially when crossing the river in several spots. Even four-wheel cars had challenges going up hill and through rivers and floods.

CHA established two National Solidarity Programme (NSP) *Shura* councils, one male and one female, six months before my arrival to Belcheragh (Autumn 2007). Only Turkmaniyeh had a part of the house turned into a meeting room for the *Shura*. Turkmaniyeh inhabitants were predominantly Turkmen of ethnicity while Sama'i were Uzbek. Turkmaniyeh and Sama'i had 220 and 200 households each, respectively. However, many Turkmaniyeh households possessed better conditions relative to Sama'i. It is evident from tables 4, 5, 6 and 7 that:

- Turkmaniyeh has more households with relatively better conditions than Sama'i (refer to figure 2);

- Turkmaniyeh has higher number of students than Sama'i where both figures are higher than the average among the forty villages surveyed (refer to table 4);
- concerning the number of households with literate individuals, Turkmaniyeh has twice as much as the average among forty villages, where Sama'i has relatively lower figure (refer to table 5); and finally,
- among Turkmaniyeh households, very few own sheep, goats, cows, horses and donkeys (10 households have 600 heads of sheep/goat) and the number of sheep and goats is above the average, whereas Sama'i has lower than average figures but for number of donkeys. This might indicate that they depend on donkeys as means of transportation rather than motorbikes and cars since the cost of purchase of one donkey according to the villagers is relatively cheap and around 100 USD (refer to table 6). It might also indicate that there are more farmers among Sama'i households (refer to table 7) than in Turkmaniyeh since the latter depends on carpet weaving and shop-keeping.

Both ethnicities showed similar traditional Afghan and Central Asian norms and behaviors but the Turkmen showed signs of somewhat stricter adherence to Islamic traditions and Afghan norms than others from neighboring villages, or that was the impression I got<sup>30</sup>. Interviewees from Turkmaniyeh were also more comfortable to discuss the history of the district, links to opium cultivation, and other traditions that affect the lending and borrowing of credit as well as power relations. But they did not mention any local conflicts, while in Sama'i their local power struggle was evident and was brought up in some of the interviews.

### *3.7 Wealth groups*

In the context of Belcheragh, the different wealth groups were defined according to several criteria: mainly, livelihood income, resilience to changes and ability to pay for some major costs, as in education and health. The interviewees in Belcheragh defined two different wealth groups: those that are self-sufficient in terms of producing food, and

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<sup>30</sup> For example, I noticed that in Turkmaniyeh it was more difficult to access interviews with female members of the household than in Sama'i. Moreover, the male interviewees from Turkmaniyeh, and relative to Sama'i interviewees, repeatedly mentioned their connection with local clergymen and brought in Islamic traditions and norms in their discussions and reasoning.

those that are not. However, I will be comparing the findings to Nyborg's research in the same area, where households defined three wealth groups: rich, medium and poor, also based on their ability to cultivate and produce food (Nyborg 2008).

As mentioned earlier, according to the interviewees, households are considered rich if they are able to be self-sufficient throughout the year on harvest they produced from their own land, without any other major external income. They called families that were self-sufficient as *Khod Kafa*<sup>31</sup>. Different interviewees had different definitions of what *Khod Kafa* meant, and hence they gave different percentages of how many were self-sufficient in their villages. For example, one interviewee defined *Khod Kafa* as households that are able to support the household depending on their harvest yields for at least ten months out of the year (and some mentioned the whole year). The different percentages were due to how they defined self-sufficiency and less because of the shame that is associated to it. In her research, Nyborg indicated that on average, rich households produce yield enough for eight to nine months, can store some and can purchase some as well (Nyborg *et al.* 2008). Constant years of drought had been affecting self-sufficiency of *Khod Kafa* because it decreased the number of households that were supported all year from agriculture.

As in Nyborg's area of research, rich households in Belcheragh also include some shopkeepers and some tradesmen, who are able to invest and receive remittances. A shopkeeper would be wealthy enough to have income from his business combined with his own land that was either being leased or cultivated by himself or members of his household. Therefore, it was mentioned that more *Khod Kafa* households were found in Turkmaniyeh (common figures mentioned was between 10 and 15 per cent) than in Sama'i (the common figure mentioned was between 3 and 5 per cent). The high numbers were mainly affiliated with the higher numbers of shopkeepers from Turkmaniyeh. Confirming these estimated percentages, CHA found similar variations in income (refer to Figure 2) where the percentage of relatively well off and vulnerable households was more so in Turkmaniyeh than in Sama'i. The Turkmaniyeh shopkeepers were linked to carpet weaving practices of all households in the village, as well as linked to credit and power relations.

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<sup>31</sup> The two Afghani words are translated as 'self-sufficient'.

Other additional criteria that were also concluded to the latter definition of *Khod Kafa* households include their ability to:

- lend credit and or provide charity to less privileged families as well as being able to borrow larger amounts of credit for enhancing and diversifying their own livelihood sources;
- link themselves to strongmen at the village and district levels, such as the clergymen, former military commanders, governor, as well as being involved in the development aid channel;
- have the time to engage themselves with NGO projects, cooperatives' administration, *Shura* council and or other social networks;
- send their children to schools outside the district that provide education up to the twelfth grade;
- travel to other cities when they want, for buying necessities or commodities, for networking and for having access to health centers (none of which constitutes as a burden relative to other households);
- send more household members to Iran as migrant labor. They also have the proper network for it in Iran that can find and fix jobs for them; and
- afford the traditional marriage's dower and dowry for a bride, called *Mahr*<sup>32</sup>, from similar powerful family and the expenses of a burial ceremony without them being burdens on the household finances.

According to Nyborg, the medium-wealth household groups are those that also own land, produce enough food for half a year, sell some of their yield, have paid jobs and are sharecroppers, but cannot increase their wealth (Nyborg *et al.* 2008). While the poor-wealth groups consists of those that grow enough for four months of consumption, usually have small landholdings, rely on external sources of income (such as laboring in others' land) and from time to time depend on income from charity, desperate loans and remittances (Nyborg *et al.* 2008). However, households that were not *Khod Kafa* had to either become more dependent on wealthier households by asking for credit or sending

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<sup>32</sup> *Mahr* is an Afghani word that is equivalent to dower, a compulsory part of the Islamic marriage contract. In Afghanistan, the term used is '*Mahr Izdiva*' meaning literally the marriage dower. In the context of the researched villages in Belcheragh, *Mahr* is a combination of the traditions of dower and dowry, and has social and economic dimensions that will be explained in the next chapters.

family members to Iran in search of income. Remittances helped to support poor families during the months that they were not able to cultivate enough for the household. *Mahr* and burial ceremony expenses could be a burden for the latter group. In Nyborg's area of research, any household income was spent mainly on food, health and education (Nyborg *et al.* 2008). With any surplus they supported investment in further education and housing (*ibid*).

During the interviews, several sources of livelihood were wheedled out. In the villages of Turkmaniyeh and Sama'i the sources of livelihood varied between farming practices, farm and off-farm labor and carpet weaving. Both male and female members of the household were involved in their livelihood activities, although the men were the ones that had sole responsibility towards financial matters. Nyborg noted similar findings in her research area (Nyborg *et al.* 2008).

Livelihood was a sensitive and private issue. Some interviewees had the tendency to give a far more pessimistic image of their situation than other households in order to draw sympathy. Others refrained from talking too much about credit since they consider the financial aspects as a private matter and associated with shame, whether they are creditors, borrowers or receiving charity. Another important factor to be considered is vulnerability, since it can be hidden. "A household that seems to be coping in some ways, could in reality be on the brink of collapsing, or moving into a more vulnerable position" (Nyborg *et al.* 2008:41). Here are two examples of how vulnerability can alternate with self-sufficiency in Belcheragh. The first is when some households tend to give away their daughter in marriage that would lead to better financial situation, either by forming an alliance with the new household, by letting the *Mahr* cancel their debts, or by using the *Mahr* as an investment in livelihood activities. A second example is when another household that is dependent on rain-fed land would suffer a blow to their main livelihood income source when the winter season produced less rain than needed. This was the case with many in Belcheragh, especially after the winter of 2008.

Because the land did not produce enough, the prices of food and fuel were on an increase in Belcheragh. From what I observed, the global prices of some food items had little direct effect on businesses in Belcheragh. Since most of the produce was local and there was little reliance on import of agriculture products, the only effect they had was on



the price of wheat and rice, and consequently on the price of bread that was made of wheat flour. The increase in the price of fuel, almost to double, was more evident since it increased transportation and electricity costs. Hence, electricity bills increased for the household that was supplied by private local entrepreneurs. Travel costs increased for those traveling to nearby towns and villages and were an unexpected burden; for example, in case of frequent illnesses. Moreover, the price of local produce increased and it was scarcer than before. Potatoes in Belcheragh were a commodity and were mainly brought to the market, along with some types of vegetables and fruits, once a week during Wednesday's market day. Limited types of vegetable and fruits that were planted in and around Belcheragh were the only common produce available throughout the week. The high price of food and fuel had little impact on the rich and medium wealth groups. According to the interviewees from the less privileged households, the increase in the prices was of great burden especially in paying back the shopkeepers, for frequent traveling for off-farm labor and other basic needs such as having access to clinics and hospitals, as well as being able to send their children outside the district for further education.

Security and proper paved roads in Belcheragh means access to the nearest town or city that has a clinic or a hospital. According to all the interviewees, the security situation deteriorated during the 1990s and early 2000. This had effects on health because the conflict not only increased the number of casualties but also hindered or even denied access to the closest source of medical care. The distance to the closest health facility for Turkmaniyeh and Sama'i households was, in summer 2008, few hours to half a day away by car. Only NGO four-wheel drives and a couple of private cars could render transport services in emergencies. However, during the past few years, clinics had been established in their area and the security had improved so they could travel more often. Bandits were said to have been appearing along the roads from time to time but recent security situations have reduced cases of banditry. As shown in table 3, the nearest hospital found in Meymaneh was around 55 kilometers away from Turkmaniyeh and Sama'i. That distance took around three to four hours depending on the type of vehicle used. Until summer 2008, the roads in the whole district were not paved and were full of dust and gravel. Since the road crossed Belcheragh River and some related

water canals at several points, frequent floods during winter and early spring blocked the roads, since there were no bridges. The interviewees stressed the difficulty the unpaved roads were for villagers when they wanted to get access to hospital, different types of clinics, doctors<sup>33</sup>, medical laboratories and pharmacies.

According to the interviewed employee from the World Food Programme (WFP), the number of students in the district was 6,889, where 2,484 (36 per cent) were female. Compared to CHA data, the number of students is around 8,700 with 43 per cent female participation. All interviewees from the two studied villages sent their young boys and girls to school. Belcheragh provided classes up to grade eight, which meant that for further education, the children must be relocated to another town. During spring and summer 2008, a school was being built outside of Sama'i village that promised more classes for the young. Another school was located thirty minutes walk north of Belcheragh centre. Some of the NGO staffs' wives were teachers in the near by school. Very few households, mainly the wealthiest, could afford to relocate the children along with their mother to other cities for further education. One of the interviewed men from the more privileged household had planned to send his children for further education to the northern city of Andkhoy<sup>34</sup> with their mother. Some NGO staff had done so as well.

In conclusion, interviews in Belcheragh also revealed additional criteria than Nyborg's that were the ability of those wealth groups to: 'borrow and lend' credit, give charity to the less privileged, have good networks with village and district strongmen, have time for non-livelihood activities (such as being involved in *Shura*, cooperative administration, etc.), resilient to changes in the price of food and fuel, afford education for their children outside of the village, access clinics and hospitals outside the village, travel outside the district more frequently than others, and exert power (for example when votes are needed for electoral purposes). Moreover, in the studied villages of Belcheragh, the interviewees did not mention a distinct medium wealth group but explained that the scale between the rich and the medium groups changed depending on several factors, such as food prices and drought, but that these two groups are distinctly different from

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<sup>33</sup> In absence of the regular medical doctors, villagers had to return to traditional healers that were called '*Doktorhayeh Younani*' that translates literally from Afghani as Greek Doctors. They prepare traditional herbal medicine and treat patients according to old knowledge. Many such doctors in Afghanistan had studied in Pakistan.

<sup>34</sup> A city North of Faryab Province

the poor. The criteria, where households belong to different wealth groups, vary between villages in Belcheragh. Nyborg confirms that, “existing methods to describe and identify vulnerable groups in communities are too simplified, and do not reflect important sub categories of villagers. Also, what constitutes vulnerability in one village could be quite different in another, involving different types of households, with different potentials to participate in new activities” (Nyborg *et al.* 2008:vii).

### *3.8 Actors at the village and district levels*

This section is a brief description of the main actors, apart from NCA and related partner NGOs, who have direct or indirect involvement in Belcheragh District. Refer to figure 3 for a broader idea of different actors and how they are linked together.

#### State institutions

The main governmental bodies found locally in Belcheragh were: the Office of the District Governor that also included the ANP, the Judiciary Court, the Office of Investigators and officials from the Ministry of Agriculture<sup>35</sup>. Others are based in Meymaneh, such as the Provincial Governor’s office, Ministry of Rural Rehabilitation and Development in Afghanistan (MRRD) and Afghanistan Reconstruction Trust Fund (ARTF).

#### MRRD Principle National Programmes

MRRD had six main programs that aim briefly: to improve health, poverty, governance, self-reliability and equitable development<sup>36</sup>. Two of the above programs that were related to this paper were the National Solidarity Programme (NSP) and National Area-Based Development Programme (NABDP). “Through NABDP, area-based development plans for the country are being planned, financed and implemented” (Bauck *et al.* 2007:25).

#### National Solidarity Programme (NSP)

NSP was created in 2003, organized by MRRD and funding by the World Bank (WB) to develop the ability of the communities to identify, plan, manage and monitor their own development projects. It is in essence a ‘community driven’ program meant to distribute

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<sup>35</sup> Although the Ministry of Agriculture had an office in Belcheragh, it was always closed.

<sup>36</sup> Information accessed January 2010 (<http://www.mrrd.gov.af/>)

grants (Bauck *et al.* 2007) and also meant to be inclusive and support the entire community<sup>37</sup>. NSP had around thirty partners that facilitated the implementation of the program's activities at the local level, including: training community on policies and procedures, conducting elections, assisting in proposal writing, and conduct monitoring and reporting. CHA was one of those partners working in several provinces such as Faryab. The main outcome of the program was the creation of the Community Development Council (CDC) also known as the *Shura*. CDCs are in their composition closely related to the traditional *Shuras*, but "with the requirement that all ethnic groups, women and a set number of educated members participate" (Bauck *et al.* 2007:25). Turkmaniyeh and Sama'i elected during autumn 2007<sup>38</sup> two separate CDCs, male and female. The CDCs serve as a decision-making body, responsible for implementing and supervising projects as well as cooperation between the community, government and NGOs. The CDCs prepared project proposals according to a plan and the NSP provided direct funds, transferred to CDC bank account. Up to date, the Government of Afghanistan (GoA) has no clear constitutional requirement for an elected council at the village level, hence it is not clear if the CDCs are a extension of the government or not, or are expected to be permanent or not (WB 2007).

#### National Area-Based Development Programme (NABDP)

NABDP was another of the six MRRD programs. NABDP aims to promote short and long-term development in rural areas according to community-identified priorities. It was the executing agency with the support of United Nations Development Programme (UNDP). One of the principle activities of this program was community empowerment by establishing in each district, a community elected organ called the District

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<sup>37</sup> It is interesting to note some of the challenges of introducing the concept of elections to Afghan rural communities. "First of all, there was almost no precedent of holding elections in rural areas. Secondly, there is a high rate of illiteracy within Afghan communities. Thirdly, the notion of women participating in the elections touched a sensitive nerve of Afghan men in many tribal areas. The fourth major challenge lay in the fact that the terms 'elections' and 'democracy' were deemed to be Western inventions; and therefore mistrusted by hard-core Islamists who suspected NSP to be part of a concerted Western attempt to undermine Afghan and Islamic values and culture. It was furthermore feared that local political parties could use NSP elections as a vehicle to bring divisive party politics to the village level; or that the government or commanders would use their political, military or financial means to influence the establishment of CDCs for their own political purposes" (Affolter *et al.* 2006:6).

<sup>38</sup> Turkmaniyeh and Sama'i elected eleven and nine members for their CDCs, respectively. Both CDCs that represented the two genders had equal numbers of members. The average in Belcheragh was eleven members per CDC as noted by CHA during autumn 2007.

Development Assembly (DDA). “In August 2006, Belcheragh District welcomed a team of facilitators from [NABDP] of [MRRD] to facilitate a comprehensive development planning process in the district. With the support of NABDP facilitators, [DDA] and district Government representatives formulated a District Development Plan (DDP) for their district. The plan was developed in a community-led process and thus enabled the communities to articulate their priority needs and recommend strategies for addressing them” (MRRD 2006:1). That occasion was around one year before the CDCs were elected in Belcheragh. In fact, some interviewees from MRRD and from Belcheragh explained that MRRD invited key persons to a forum; such as, *Mullas*<sup>39</sup>, traditional *Arbabs*, rich individuals and landowners, former militia commanders, and other similar powerful individuals connected to the government bodies, NGOs and aid agencies. During this forum, the DDA was elected from thirty members present at the meeting. It was stated on MRRD’s documents and confirmed by MRRD representative in Meymaneh that the forum should had been the right of the chairmen and vice-chairmen of the CDCs of each district. But since the CDCs were not yet formed in Belcheragh, key persons were invited instead. By spring and summer 2008, there were no funds to form another DDA. It was also clear that there was little women participation and involvement in the election of Belcheragh’s DDA (contrary to MRRD’s claim). Consequently, and according to many interviewees, there was a large gap between the needs and priorities of most CDCs and those of the DDA.

#### Provincial Development Committees (PDC)

The PDC was responsible for the provincial development plans, and is placed under the Provincial Governor, although the secretariat function is to be provided by the Ministry of Economics (MoEc), which has a limited presence in many provinces. Among its members are representatives from the Provincial Council (PC), the DDA, the PRT, UN and NGOs (Bauck *et al.* 2007).

#### National and foreign development organizations

The presence of foreign development organizations in Faryab is limited. Due to the increased focus on security and development efforts in the south and east, several have

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<sup>39</sup> Mullah is term used in the Muslim world for a religiously educated man, and in Afghanistan it is a title given to an Islamic clergyman that is in most cases a mosque leader.

recently reduced their presence or indicated a reduction (Bauck *et al.* 2007). Bauck also adds that organizations such as United States Agency for International Development (USAID), the International Organisation for Migration (IOM) and Intersos are closing their offices; while multilateral organizations have only a limited presence: United Nations Assistance Mission in Afghanistan (UNAMA), United Nations High Commissioner for Refugees (UNHCR), and WFP. Among internationally based NGOs are mainly: Agency for Technical Cooperation and Development (ACTED), Danish Committee for Aid to Afghan Refugees (DACAAR), Save the Children, International Committee of the Red Cross (ICRC) and the Afghan Red Crescent Society (ARCS), the Norwegian Refugee Council (NRC) and others including donor coordination groups (*ibid*).

#### Provincial Reconstruction Teams

The PRT was a unit consisting of government staff, military officers, diplomats, and or development and reconstruction experts. They worked along with the military forces in each province, for example, with the Norwegian Army in Faryab Province, to support reconstruction efforts. PRTs were first established in Afghanistan in 2002.

#### Local development organizations

Local agencies based in Belcheragh include mainly local NGOs, community elected councils and cooperatives. NCA and or other donors and international NGOs supported several NGOs and projects in Belcheragh that focused on alleviating health, education and social status of the Afghans. Some of their projects related directly to the livelihood of Turkmaniyeh and Sama'i were the distribution of low price wheat flour to be sold to underprivileged households; the distribution of wheat seeds to agriculture cooperatives; and infrastructure improvement (wells, latrines, roads, agriculture walls, etc).

#### Others

Remaining actors included rich individuals, landlords, former *Qommandans*, *Mullahs* and religious related institutions (such as the Islamic Institution of *Zakat*<sup>40</sup>), shopkeepers, tradesmen and similar financially and socially powerful individuals.

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<sup>40</sup> Based on Islamic economical jurisprudence, *Zakat*, that is the duty of charity, is one of the Five Pillars of Islam. The Institution of *Zakat* consists of clergymen that have the power to claim obligatory alms of 2.5 per cent for charity purposes (including the clergymen's salary) depending on the annual accumulated wealth of the household.

### Livelihoods and informal credit

The general understanding of livelihood is that it comprises the set of activities, the assets, and the access where they jointly determine the living gained by an individual or household (Ellis 2000). There is great diversity between and within villages related to sources of income, labor, land, pasture, remittances, access to education, etc. (Nyborg *et al.* 2008). This diversity could be due to several factors, such as drought effects, security risks and agriculture practices that have varied implications on demand for and use of credit; while some characteristics related to livelihood activities and the need for investment are not unique or unusual for rural Afghanistan (Kantor 2009). In the context of Belcheragh, the main sources of income are the following: remittances, various farm labor and off-farm income and labor, shop-keeping and other businesses, carpet weaving as well as other benefits from development aid projects.

While I was at the NCA office in Kabul, some NCA staff and I discussed the situation of Afghan households in Faryab Province, based on their reports and findings. One story caught my attention and motivated my curiosity during the field research in Belcheragh. In the district of Qaramqūl, many households rely on carpet weaving as a source of income since the area is very arid and they lack access to enough sources of water. In order for them to carry on with their housework as well as with the carpet weaving women, and sometimes the men, have to have control over their young and energetic children and have control over the various knee and backaches that the weaving tolls. The common solution among some households is to give children opium so they are calm and controllable and to ease their own knee and back pain. Several news articles<sup>41</sup> and reports<sup>42</sup> have recently brought this trend to our attention. Mainly women bear most of the strenuous responsibility of weaving carpets.

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<sup>41</sup> Al Jazeera English also had a news article entitled “[Afghanistan's Child Opium Addicts](#),” posted on-line on 17 May 2007 by Zeina Khodr where she mentions that “children under five years old are routinely given opium by their mothers.”

This need to produce carpets at all costs and as quickly as possible comes from the necessity to earn enough income to secure food and other essential household needs. The use of opium by the household members, for example, is linked to the household's livelihood strategies and is an outcome of lack of sustainable sources of livelihood that could divert from the depending on extreme solutions such as opium intake. In addition, it is linked to power structures that the more privileged yielded over the vulnerable household and that benefited from the carpet weaving economy. Such extreme cases were not very common in Belcheragh –I got to know later that some households use this technique on children and consider it as a traditional remedy, but the concept of lack of sustainable livelihood strategies, power relations, etc. were not very different. In this chapter we will discuss the sources of income in relation to credit in the researched villages.

#### *4.1 Types of informal credit*

Informal credit has been traditionally an integral part of the Afghan social, economic and political structure. In fact, rural Afghans have few options but to continue to depend on their social networks for sources of informal credit in the absence of a capable state to provide them with sufficient political, social and economic security and stability, compounded with repetitive years of drought. Prior to 1978 and up-to-date, research claims that there is a strong need among the poorer households to rely –almost entirely – on informal credit for consumption smoothing, but at the same time research also found this type of credit to be central to patron-client relations (Pain 2008-a). The informal credit in Afghanistan is utilized by those in power, for strengthening their economic and social positions, and as a source of livelihood security for the less privileged (Andersen *et al.* 2008-a). In the rural setting of Belcheragh, the situation was not very different from other parts of Afghanistan. The several types of informal credit that were observed there were similar to other findings mentioned in recent publications. They were categorized

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<sup>42</sup> IRIN (Humanitarian News and Analysis) had a report entitled "[Opium eases my pain, keeps my children quiet](#)," posted on-line on 16 July 2009 where the report links the usage of opium as a pain killer to carpet weaving.



in this paper according to the definitions derived during the interviews, as follows: loans without usury, or *Qarz-e-Hassaneh*<sup>43</sup>, and loans with usury, or *Qarz-e-Sood*<sup>44</sup>.

*Qarz-e-Hassaneh* is defined as loans without usury and was a common practice when a loan was being provided among households of the same social and economic status or between the more privileged and the less. By nature, this type of credit is protected from adding usury values to it, but in certain situation it is used in order to mask usury by claiming higher than market values of items given as *Qarz-e-Hassaneh*. According to some interviewees, providing *Qarz-e-Hassaneh* has been traditionally common and re-enforced during the times of the Mujahideen and the Taliban. Both regimes imposed such type of credit according to Islamic *Sharia*<sup>45</sup> since the Law prohibits the payment of fees for loans.

Usury, or *Riba*, is forbidden according to Islamic jurisprudence as stated in the Qur'an; "Those who devour usury will not stand except as stands one whom the Evil One by his touch hath driven to madness. That is because they say: 'Trade is like usury,' but Allah hath permitted trade and forbidden usury (Al-Baqarah Verse 275)." In Urdu speaking countries such as Afghanistan, Pakistan and India, the Urdu word *Sood* was generally taken as a synonymous to the Arabic word *Riba*. In accord with Islamic jurisprudence, the *Mullahs* of both villages condemn the use of *Sood*.

First of all, I will discuss the common *Qarz-e-Hassaneh* that does not mask any *Sood*. This type of credit is provided first to family members, then to close friends from the same village or adjacent villages, but rarely given outside that circle of trust to those that might not pay back or reciprocate in the future. The transaction can be highly flexible and are expected to be obligatorily reciprocal when and if needed (Andersen *et al.* 2008-a and Kantor 2009). Households respect the agreements and try to pay back the loan so as to avoid similar treatment once it would be their turn to lend credit. While the transaction of such credit between the more fortunate and the less is characterized by also being among family members, clan or friends where a client-patronage situation between

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<sup>43</sup> *Qarzeh* is an Afghan word derived from the word *Qarz* meaning loan. *Hassaneh* is an Afghani word meaning charity.

<sup>44</sup> *Sood* (in Urdu), *Riba* (in Arabic and Farsi) and *Bahre* (in Farsi and Dari) are expressions that mean usury and are used in Afghanistan. In Belcheragh district, the usage of the word *Sood* was most common.

<sup>45</sup> *Sharia* is an Arabic term for Islamic jurisprudence used similarly in Afghanistan.

the lender and the borrower will also exist. Accepting credit without usury will bring a hidden debt, which the borrower will have to repay in-kind, at least, when and if the need arises by the creditor. Besides family and friendship transactions, shopkeepers provide this common type of credit in the form of food or commodities and in some instances in cash for a short period ranging from one week to one year. According to the interviewees, the value of the loan, in its different forms, ranged from 10 USD to 800 USD where the value of 200 USD for a period of eight weeks was repeatedly mentioned. During her research, Andersen encountered the range in Bamyan Province to be two to 160 USD with an exception of 1,200 USD (Andersen *et al.* 2008-a). Besides cash, the shopkeepers provided credit in other forms, such as, wheat seeds, livestock, food and other commodities. Finally, it is not unheard of that the creditor in many situations might give credit because of good will and in accordance to moral obligations embedded in Afghan culture and religious values. Similarly to Belcheragh, Pain found that in other parts of Afghanistan households that find themselves with excess grain at the end of the harvest season give their surplus to close relatives (Pain 2008-a).

The shopkeepers and the more privileged households claimed that it was common to provide such credit because if they were claiming otherwise, it would untangle their own loans and their power relations, and that was something both wealthy individuals from Turkmaniyeh and Sama'i tried to avoid talking about during the interviews. The poorer households as well as the female interviewees stated that *Qarz-e-Hassaneh* was not as common. Some reports state that in rural Afghanistan there is a decline in compassion or sympathy, and instead, a growing spirit of individualism where *Qarz-e-Hassaneh*, as a form of assistance or social investment, has become less available (Andersen *et al.* 2008-a).

Second type of *Qarz-e-Hassaneh*, the interviewees explained, was when the *Sood* was hidden. The *Mujahideen* and the Taliban enforced *Qarz-e-Hassaneh* for two and a half decades and it led the shopkeepers and tradesmen to gradually provide *Qarz-e-Hassaneh* in a value higher than the market value, in order to mask the *Sood* that was forbidden. According to the interviewees, this solution was a compensation for the lack of formal interest rates, and for the lack of an inflation factor. During the interviews with some farmers, unless the proper definition of the loan was made clearer from the

beginning, the difference was a challenge to understand between which loans was purely *Qarz-e-Hassaneh* and which ones were not.

*Qarz-e-Sood* are loans with interest, and their value is relatively higher than *Qarz-e-Hassaneh* and the main providers are shopkeepers, wealthier relatives or friends from the village or from outside the village. Sometimes a creditor of *Qarz-e-Sood* in Belcheragh was not likely to ask for usury from a relative because this would create a “conflicting relationship” since it is very shameful to demand *Sood* from a family member, even extended ones (Andersen *et al.* 2008-a). However, in some cases creditors will ask family members for *Sood*, especially if the value of the credit in question is high.

*Qarz-e-Sood* is also characterized as credit with a high interest rate, relative to a western definition of the interest rate, and where personal knowledge of the lender is fundamental for credit security (Pain 2008-a). This type of informal credit has a broad and diverse presence, and has a major influence on landholdings since in many cases households are forced to give away belongings to meet repayment (Andersen *et al.* 2008-a). “However, those that are unable to continue paying out due to continued decline in economic fortune, had a misfortune among family members or shifted network relations, may find themselves excluded from the informal credit system and have to depend on charity” (Kantor 2009:33). There were different types of *Qarz-e-Sood* in Belcheragh according to who was providing it and their relation to the borrower. The providers of such credit were called a derogatory term, *Sood Khorha*<sup>46</sup> meaning that they not just provided loans with interest but in fact they accepted such profits that were contrary to the *Sharia*. Shame was associated with the name and the practice. The interviewees did not want to be called such, and did not point out which of the households in the village were *Sood Khor*. Some interviews, especially the shopkeepers did not claim to be *Sood Khor*, but referred to their loans as *Qarz-e-Hassaneh*.

According to the poorer household and the female interviewees, loans with interest had been increasing as the drought had been persisting for many years, although the loan providers are more careful than before since many might not be able to pay back. In similar research, it is found that access to credit in the recent years has been

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<sup>46</sup> *Sood Khorha* are lenders of credit with usury. *Khorha* is an Afghani word meaning literally ‘those that devour’ or consume, and probably derived from the Qur'anic verse mentioned earlier. Singular: *Sood Khor*.

increasingly limited among household with socially closed ascribed relations (Pain 2008-a). This type of credit lending was linked to a power relationship cycle where the borrower had to continuously ask for credit and eventually had to give up something precious to end the loan; such as in-kind favors, electoral support, land, house, or daughter in the form of marriage to the creditor or the creditor's family members. In some cases mentioned by NGO staff, the in-kind favors could be sexual in nature, but no evidence was noted that such in-kind favors were taking place in Turkmaniyeh and Sama'i. Women, especially widows<sup>47</sup>, were victims of such never-ending credit cycles. From the perspective of shopkeepers, whether it was leading to a credit cycle or not, they tend to address their own credit as being formal and a normal practice in the village (Andersen *et al.* 2008-a).

#### 4.2 Remittances

According to most interviewees, remittances from Iran were a major source of livelihood income. Historically, from the start of the conflict in 1979, the Faryab population sought refuge to a lesser extent in Pakistan, but a large proportion went to Iran, where it became a common destination for work migration (Bauck *et al.* 2007). Remittances were highly related to social and economic status of the household. It reflects for some households as a long-term strategy and for some as a short-term one, depending on food security and other needs (Nyborg *et al.* 2008). The richer the household, the more family members it has in Iran and the more influence they had over others in the village. For the rich households, work migration was noted to be a long-term strategy (*ibid*). On the other hand, the less privileged travel to Iran for food security reasons (*ibid*) and in Belcheragh a main reason besides the latter was for saving enough for expensive *Mahr*.

Almost every male interviewee in Belcheragh has or had a family member in Iran or himself had been working in Iran. Some claimed that all of Turkmaniyeh and Sama'i households, including themselves, have a family member in Iran that is sending them remittances. However, after some interviews with the less privileged households it was concluded that this was not entirely true. The interviewees that claimed that all

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<sup>47</sup> According to some interviewees, widows seek credit from the extended family members first and if those were not able or available, then they go and ask from other village members. And most widows work in carpet weaving, especially in Turkmaniyeh.

households have members in Iran were trying to hide that some were excluded from this source of income. Perhaps the reason for not exposing that fact was to avoid the next question, “which households are having family members in Iran?” They perhaps did not want to answer because they assumed that since I am Iranian I might report such detailed information to the government.

When asked the reason why Iran was the destination for households in search for job opportunities even though Faryab province lies closer to the Central Asian Countries of Turkmenistan and Uzbekistan, many replied that it has been historically a destination and because in Iran there exists a big network of Afghans that would help. According to Bauck, of the 106 households interviewed from Faryab for his research, around 60 per cent had family members in Iran (Bauck *et al.* 2007). None of the interviewees had been working or had family members working in other countries. However, the following possible destinations had been mentioned where some had gone to: Turkmenistan, Uzbekistan, Kazakhstan, Pakistan and United Arab Emirates.

The more remittances for the household, the more the household was able to send family members to Iran. Some rich and powerful households, such as heads of cooperatives, shopkeepers, etc, had up to four male siblings and sons working in Iran while poorer households had none. One main reason was that wealthy households were able to afford the frequent costs of smuggling to Iran (mentioned to be between 200 and 300 USD per person) and had established the necessary network that is able to absorb more labor migrants.

The amount of remittances sent by family members varied from household to household. There were several purposes for remittances. The main purpose was cash income sent to the family on a regular basis where the amount varied from 200 to 400 USD per month and none claimed it to be steady. The second purpose for sending remittances was to cover loans, most of which were loans taken for *Mahr*, but other reasons for being in debt were also mentioned. Remittances were either kept with the work immigrant until his return from Iran or was sent to family members directly. The latter purpose was mentioned repeatedly as a common solution for young men to save for the bride’s *Mahr*. When the amount needed for the *Mahr* was completed, the man

returned home for marriage or in some cases to his bride-to-be. Then the groom sought jobs that were available in the village or the district.

The interviewees stated several challenges. The number of years the men spent in Iran varied between two years and a decade. The purpose of the traveling abroad (*Mahr*, debt repayment, securing food and other household necessities, etc.) was significant in determining the number of years spent in Iran. Some other reasons for this could be if an individual ends up addicted to opium or gambling, if his saved funds get robbed and he had to try to save again or if he had to cover urgent expenses, for example, medical bills. Sometimes they were deported from Iran and had to save enough to return back to Iran.

Remittances had a great influence on the availability of getting and giving credit. The household that had a family member in Iran who sent remittances steadily have credit power and can afford a marriage arrangement that would link them to more socially and economically well off families. Currently, with the few available MC projects, the Afghans in Belcheragh believed that remittances were more important for the household than income generated from formal credit systems. Sama'i remittances were mentioned as a vital source of income (it was mentioned around 140 households had family members in Iran), but in Turkmaniyeh, in addition to remittances, they stressed on carpet weaving incomes.

### *4.3 Agricultural land and mortgage*

Afghanistan is a mountainous country of which about 12 percent is under cultivation and almost half of all that is irrigated, or *Abi*. The remaining area is rain-fed or *Lalmi* (Roe 2008). In Belcheragh, the irrigated part is mainly along Belcheragh River where a labyrinth of irrigation systems feed the banks of the river. During the summer, the river shrinks into a stream and some of the Afghans cultivate the exposed river bottom. For the Afghans, irrigated land is the most scared of all agriculture resources (Bauck *et al.* 2007). The rain-fed land is mainly mountainous and away from the river and the village. The difference lies in the fact that most of the irrigated land belongs to the Khod Kafa households while the rain-fed land belongs to all wealth groups. The number of households owning land among the same number of surveyed villages was 11 per cent and 27 per cent for Turkmaniyeh and Sama'i, respectively (refer to table 7). Sometimes

large extended families, that include several households, shared one piece of land and if the land needed costly agriculture input or if it was not productive, then the whole extended family was affected.

Agriculture land in Afghanistan is characterized by a lack of official land titles and is considered as one of the root causes of land disputes (Roe 2008) and in the absence of land rights is an impediment to further development of agriculture land (Oxfam 2008). Land disputes also involve strongmen that claim rights of others land, or visa versa (Roe 2008). During the period I was there, I witnessed a situation where a household from Sama'i was disputing with the governor because the latter took a piece of land (in the middle of the market) that a former *Qommandan* had given to him during the years of conflict. He claims the land to be his property but the governor claimed that it was common property belonging to the state. Another characteristic is that women have the right of inheritance, but researchers have found that “they are rarely able to exercise this right” (Roe 2008:32). Land is a great resource for negotiating credit, because having land is future secure collateral. In some rare cases of need, the households ask for mortgage. They might be able to pay back the debt, restore the land or they might have to give it up in the end. One of the main informal credit systems linked to land was mortgage, or *Gheraw*.

*Gheraw* is another important but rigid and inflexible type of *Qarz-e-Sood*, widespread in rural Afghanistan (Roe 2008), and needs to be distinguished from the others since it involves high values as well as being related to the livelihoods of many families and was linked to the power relations within the village or district. The practice of *Gheraw* is where “the landholder gives possession of his land to the mortgagee in exchange for credit” (Roe 2008:28). Wealthier households, who are providers of high value credit in exchange for *Gheraw*, could wield their power over others as long as they hold the right to the mortgaged land. Hence, and according to the interviewees, they might demand for in-kind favors such as getting their votes during some election at their village and district levels, as well as meddle with trade, agriculture cooperatives, government agents and so forth. Therefore, the issue of *Gheraw* was also a sensitive one related to honor and to shame (Andersen *et al.* 2008-a). The interviewees from the more privileged households strongly claimed that *Gheraw* did not exist; while the less

privileged households and some of the women claimed that it existed in Turkmaniyeh and Sama'i. They also added that *Gheraw* was not very common, since people tend to avoid falling into a power trap unless they desperately needed cash for purposes such as lacking resources that secure their household food, covering the expenses of unexpected medical emergencies, marriage, death in the family, etc (Roe 2008). According to Roe, it has been observed that planned mortgages often lead to farmers regaining land, while desperation measures would lead to a very hard to clear debt, and finally it would end with the farmer losing his land (*ibid*). In extreme cases where the borrower cannot pay back, the interviewees claimed that the creditor offers half the remaining price of the land and claims full possession of the mortgaged land. Some interviewees from both NGO staff and villagers explained that the creditor would, in some exceptional cases, trick the borrower by convincing him to take more credit than what he had originally asked for. Knowingly or not, the borrower, in need of the credit, takes the extra addition credit since the creditor claims that he is providing the additional amount for the sake of their friendship. After a while, repaying the loans because of the extra amount grows into a burden and consequently the borrower has to give up the land. In fact, since the land market is closed and usually takes place among family and close relations, *Gheraw* is a system of bypassing such closed market and gaining access to land (Roe 2008).

The known value of mortgaged land was equivalent to 20,000 USD per 2,000 meter squares (called *Jehrib*) and is considered in this example as half the value of the land. The value of the mortgaged land could be given in cash and or in other goods; for example, cattle and wheat. The interviewees explained that the period of such *Gheraw* was usually six to 12 months, but could last for years depending on the negotiations, family relations, possible power benefits for the creditor, and unpredicted income condition of the borrower. The value also depended on the negotiations between the creditor and the borrower and on the type of land, if it had access to irrigation or if it was rain-fed as well as other factors. Meanwhile, the creditor had full access to the land and cultivates it accordingly with the harvest as a form of interest (Roe 2008 and Pain 2008-a). However, in some instances the creditor shared the output of the harvest with the borrower (one-tenth of the yield was mentioned in one of the interviews).



In the case that the borrower was not able to pay back the amount, but he did not want to lose the land, the alternative was to sell valuables, send a family member to a neighboring country or to fall into another power trap. Close friends and family may also provide credit in return for mortgaged land but may not claim anything from the borrower until the credit is repaid. During the research period, and according to the *Mullahs*, *Gheraw* was forbidden and condemned since it was another form of *Sood*.

#### *4.4 Agriculture*

Traditionally, agriculture supports half of Afghanistan's economy and employs at least 80 per cent of the population; however, three decades of conflict, displacement, persistent droughts, flooding, the invasion of minefields, and "the sustained absence of natural resource management has led to massive environment degradation and the depletion of resources" (Oxfam 2008:10). Many households are not able to achieve food security because the northern parts of the country were hit by crop failure in 2008 as well as faced with decrease in livestock population due to a severe winter (Pain 2008-b). It is estimated that the overall agricultural production as well as livestock have fallen by more than half (Oxfam 2008). The destruction of orchards and irrigation systems has been used as a tactic during the war by an army against another's ethnic population. Recent reconstruction in the district included the building of irrigation systems, rebuilding of destroyed infrastructure, planting orchards, paving roads, raising agriculture walls, removing of mines, to name a few. As in Dai Kundi (Nyborg *et al.* 2008), access to the main road was a hindrance for agriculture trade during winter and in the research district that also played a factor when the river flooded and closed the road. No storage space for agriculture produce was available by spring 2008, hence the market prices for food was an additional constraint. However, the main constraints for agriculture activities were similar to the findings by Nyborg; they were mainly the lack of water, fertilizers, seeds, financial capital, access to the market (*ibid*), methods to contain the spread of diseases and pests, availability of agricultural machines, equipments and plowing animals (basically oxen), credit and agriculture related training (Nyborg 2008). In Belcheragh, NCA was trying to deal with some of these constraints by providing access to water and to MC schemes; but by spring 2008, it was not enough to cover the entire district.

The district of Belcheragh depends on *Lalmi* more than *Abi* (Bauck *et al.* 2007) since the latter was mainly found along the banks of Belcheragh River, along with most of the district's villages. The mountains of Belcheragh are riddled with yellow patches of wheat<sup>48</sup>. In fact, besides its production of carpets, Faryab was named as the wheat basket of Afghanistan (*ibid*). And besides wheat, melon (*Kharbouzeh* and *Tarbouzeh*) is a very common agriculture product (*ibid*), and as I passed the streets of Belcheragh different types were sold in the market.

Four cooperatives for agriculture farmers existed in Belcheragh district. Women farmers did not belong to any of them or any association or cooperative existed<sup>49</sup>. Besides the NGOs present in the district, international aid, through the Afghan government, provided agriculture cooperatives wheat seeds to be planned for the spring harvest. According to local NGOs, the seeds were not drought resistant and most of the cultivated rain-fed mountainous areas surrounding Belcheragh did not sprout and some yielded short stalks that were good for grazing only. This directly affected food prices and in particular bread loafs. A seven-kilogram bag of wheat increased from 14 USD to 40 USD and consequently a loaf of bread increased from 0.08 USD to 0.20 USD. Relatively a dramatic consequences since many Afghans depend only on bread for survival<sup>50</sup>. As a result the amount of short-term low value credit increased.

Availability of credit for the farmers is vital for their yearly cycle of activities. They acquire agriculture inputs through credit from other more privileged households or from the shops. Common inputs include seeds and if their availability is scarce, they have to purchase some at a higher price or go into debt. There were several loans that were related to agriculture, mainly as wheat seeds, livestock and in the form of *Salam*. They are as following:

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<sup>48</sup> It is interesting to note that there is a lack of agriculture machinery and equipment and oxen plough almost 90 per cent of the land (Bauck *et al.* 2007)

<sup>49</sup> Similarly to other part of Afghanistan, men claim that women have little role in agriculture activities (Nyborg *et al.* 2008). However, I encountered several women harvesting vegetables in the field, and was told that women built the sheds or huts that were situated near each field. At Belcheragh market, women were not found at all. I did not see any woman cross my path, even on Wednesday market day and that was clear that the market, trade and shopping were part of the man's world.

<sup>50</sup> For some poor families, a common meal basically consisted of bread and sweet tea.

### As wheat seeds

This form of credit, as wheat seeds or in few occasions as cash, was very common and was very similar to credit given as livestock since it was for the same duration of one year as well as has a price value of 50 per cent higher than market price. The borrower was expected to pay in cash or value of cash in wheat seeds after the winter harvest but because of the change of prices of wheat and drought, more creditors were turning to only cash instead of wheat seeds.

### As livestock

Animals were used as credit where they were given to the borrower with a usual value of 50 per cent higher than the market value and the borrower was expected to pay back after one year. In order for this loan not to turn into a *Qarz-e-Hassaneh*, because of possible fluctuation of meat price, the value was settled before hand and based on a fixed item value to ensure the loan was paid with the proper *Sood*.

### Salam

*Salam* or *Peshak*<sup>51</sup> is one of the most common and widespread credit mechanisms for agriculture production in northern Afghanistan and has long been practiced as one of many forms of informal credit<sup>52</sup> (Pain 2008-a). According to shopkeepers in Belcheragh, the credit constitutes as a pre-harvest advance against future harvested crop. The provider of agriculture input, shopkeeper, local tradesmen or wealthy landowners would buy the harvest in advance from the borrower where he has to pay back as a deferred delivery. The interviewees stated that the borrowing rate was twice the value of the market price (an inflated value of 50 per cent) whereas Pain found it to be 40 per cent in northern Afghanistan. According to the latter author, this credit is most often used for the harvest of “wheat, barley, sesame... and occasionally for sheep or an incomplete carpet” (Pain 2008-a:10). This system also generates a patron-client relationship between the creditor and the borrower.

This high-inflated value also signified the relative high risk sharing between the creditor and the borrower. Such risk has been magnified during the past few decades

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<sup>51</sup> *Peshaki* is an Afghani word that literally means ‘beforehand’. This credit system was also used extensively for opium poppy cultivation where it accounted for 60 per cent of all loans but accounted only five per cent of the total trade in opium (Pain 2008-a).

<sup>52</sup> The Taliban promoted the *salam* credit system as it was legal under Islam and it hides no *Sood* (Willumsen 2006).

because of the political instability (Pain 2008-a) and perhaps to a certain degree because of the consistent drought. Hence, risk due to future price decrease and harvest failure will be shared in such case (Willumsen 2006).

#### *4.5 Banning of opium poppy cultivation*

Besides the strict *Wahhabi* doctrine, the Taliban also introduced the cultivation of opium poppy (Kolhatkar *et al.* 2006). During the time of the Taliban and the couple of years that followed their retreat from Frayab Province, only a small portion of the total cultivation of opium poppy took place in the northern areas (UNODC 2008).

The district of Belcheragh, in general, did not plant opium to their full potential but still they planted plenty. Some claimed that as much as 80 per cent of irrigated land alongside the river was planted with opium poppy and some claimed that all the irrigated land was planted. Some mentioned that a small portion of the irrigated areas was kept for regular vegetable cultivation needed for household consumption. Some said that the rain-fed land had been planned too but mostly was exclusive to wheat cultivation. Those that did not have irrigated lands either worked in others' land or benefited indirectly with the new source of income. In the nearby village of Kawlian, the interviewees had better houses, lots of trees and orchards, which indicate better livelihood conditions, than other villages in the district. The reason could be because the river reaches a wide valley that the village occupies, providing it with ample source water for irrigation relative to other villages. The Kawlian interviewees claimed that the cultivation of opium was alien to them and had been introduced by the Taliban during the late 1990s. They claimed that they could have made more profit but the farmers were not as experienced in its cultivation as other farmers in some parts of the country.

Farmers did not simply depend on opium as a cash crop; the economy of opium also meant the possible access to credit, land and water (Bauck *et al.* 2007). The system was hierarchal; on top were the opium traders, with middlemen and then landowners in the middle and finally the farmers. According to one of the interviewees from Turkmaniyeh, "the Taliban chose one or more persons from each village that were responsible for 10 to 20 farmers as middlemen, they collected the opium and took their commission of 20 per cent." Until 2006, opium cultivation came with its own market and

smuggling schemes. Smugglers, who were the appointed middlemen from the village, provided the farmers with credit so they would be able to cultivate opium, then buy it from them with prices less than the market price values, before sending the opium away. NGO staff identified some of the research interviewees that were previous or current smugglers, strongmen and *Arbabs*. These interviewees all strongly condemned opium trade, perhaps because of the shame that comes with their connection to opium trade. They stated several main reasons for the discontinuation of the opium trade: rule of law, difficulty in smuggling, market prices, and clergymen's support for its banning.

First, most of the interviewees started by opposing its cultivation and claimed to support the government's tracking down of smugglers, confiscating their transport vehicles, strict policing and imposing of state security. They mentioned that since a couple of years ago the state had more influence than before, hence the opium market became less accessible than before. The situation was coupled with efforts, by the government and the international forces, which led to the closing down of heroin factories in the southern provinces, in addition to other measures. While the cost of maintaining the market and the smuggling increased, the prices of opium went down.

The overall market price for opium declined from 2006 onwards, and the trade was seen to have become more risky and uncertain (Pain 2008-a). Many factors were contributing to that trend. One of the interviewees that planted opium poppy explained that he planted when the prices were up and made a profit. Then the prices went down the next year and he stopped making profits and he considered not cultivating any longer. He explained, "in Belcheragh, the opium yields of 2003 and 2004 seasons were high because of relative ample rain and snow during previous winters. Then the yield was high and the market price was good because one kilogram of opium was worth up to 280 USD then it dropped to 60 USD, and even lower." Then he added that at the same time the effects of the drought were an incentive to grow other cash crops, mainly wheat. The farmer explained that opium yield per one hectare was 15 kilograms, that equates to 900 USD, while the same hectare of wheat would have yielded for him 2,100 kilograms of wheat seeds that were worth 1,500 USD, in addition to 800 USD worth of hay. Research confirms that by 2008, the overall increase in global food prices, and the government of Pakistan's ban on wheat exports and lower rainfall in Afghanistan have been a significant

shift away from opium price in favor of the terms of trade on wheat (Mansfield *et al.* 2008). Contrary to some claims, the latter author stated that environmental and economic factors “have played a more significant role in decreasing opium poppy cultivation levels than counter-narcotics policies did” (*ibid*:2).

Thirdly, the clergymen provide the legitimacy to cultivate or not to cultivate opium. During the interviews, the question of opium cultivation’s legality or its prohibition according to Islam was blurry. However, many passed on the judgment to the clergymen. They mentioned that the *Mullahs* have the power to interpret the cultivation of opium poppy in either direction. The cultivation was in fact a decision from the top of the hierarchal pyramid. They mentioned that the cultivation started whenever it suited the area *Qommandan*, and those backing his decision. The local clergymen followed suit and legitimized or prohibited its cultivation. They play an important role in instructing the farmers, yielding and sharing power, and making decisions based on their commitment to the dominating force, being it the state, the warlords or state backed warlords. The *Mullahs* under the Taliban regime twisted the *Sharia*, in favor of opium cultivation, stating that the users of heroin were the unbelievers from the west and the farmers will not be breaking any Laws. And they were in league with the Taliban and followed their commands, if not shared some of the power<sup>53</sup>. Currently, they also added that the government has been taking a similar symbiotic role with the clergymen but banning the opium instead.

The clergymen have currently denounced the cultivation of opium poppy and sanctioned it according to Islamic *Sharia* as the government strengthened its military grip, provided financial support and allowed the clergymen to also have their say at the village level. Finally, during spring and summer of 2008, the overall approach of the government propaganda through television advertisements, posters and billboards constantly remind the residents of Afghanistan that they should stop the use and cultivation of opium poppy. Some interviewees mentioned that they might have the means to cultivate it again once the security loosens its grips, with or without the

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<sup>53</sup> According to some NGO staff, most of the Sunni Mullahs in Turkmaniyeh and Sama’i took their religious training in Pakistan and hence developed strong linkage with the Taliban.

presence of the Taliban. The opium cultivation had a significant positive effect on their livelihood but it also had some other effects on the household, power and credit.

#### *4.6 Effects of opium on credit*

The interviewees mentioned that the Taliban indirectly increased the overall purchase power with funds (for their soldiers) and with the poppy cultivation. The villagers bought commodities such as motorbikes and bicycles and later on (after 2001) they purchased televisions and satellite connection that were prohibited during the times of the Taliban. The introduction of poppy cultivation also caused some difficulties and changes. They were mainly the addiction of men, women and children to opium, strengthening of control of the richer households over the poorer, and the decrease in amount of high value borrowed credit.

Firstly, addiction affected the villagers of Turkmaniyeh and Sama'i in several ways. According to the female interviewees some households gave opium to their children so that they would relax, sleep and produce less noise and trouble, so their mothers could finish house-chores and or work on agriculture, carpet weaving or other handicraft to secure an addition income. Similar stories were heard from northern districts where carpet weaving as source of livelihood was intensive, such as in Qaramqūl. Some women and children also became addicts because they had to lick the knives during the extraction of the opium juice from the poppy flower<sup>54</sup>. According to NGO staff, during spring and summer 2008, few addicts existed in Turkmaniyeh and Sama'i. Some male addicts had to take loans to pay for their addiction, some mortgaged their lands and many had to leave the country (mainly to Iran) in search of sources of income. The remaining addicts that had stayed were allocated easy, low-paid farm and off-farm jobs, such as guarding houses or orchards. Some stay at home where the wife has to provide income for the household. The female interviewees mentioned that such households were known to have husbands that abused their wives. The female interviewees were happy that the opium cultivation had stopped. They were more

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<sup>54</sup> Women and children laboring in the poppy needed to wet the knife from time to time with their tongues in order to clean and facilitate easier extraction. The licking of the knife led to addiction cases among them.

explicit than the men about the vices of and effects of opium on the village households were in accord with previous statements provided by NGO staff.

Secondly, the research interviewees mentioned that the number of large loans decreased and the interest rates increased during the opium cultivation years compared to the current years. The opium trade was prosperous for the farmers; its income relatively reduced their dependence on large loans, and on patronage relations, because it was of debt relieving nature rather than debt creating. However, households were still in need of credit smoothing, where the household borrows from the shopkeeper and pays back when possible. During the opium trade days, they were less dependent on large amounts of credit to cover high expenses. Shopkeepers that benefited indirectly from the opium trade offered high interest rates from the borrowers for the credit they provided. This was in order for the shopkeeper to have a share of the cake and in compensation to the lack of demand for high amounts of loans. Similar research in the north-eastern province of Badakhshan showed that opium cultivation meant prosperity for many, if not most, because it provided the means to repay debt and recover assets (Pain 2008-a). Shopkeepers and wealthy households explained that during the opium cultivation years, the availability of credit among farmers –backed by a strong market –allowed for loans to be dispersed when and if needed. In conclusion, and as in other research done on opium and credit, it was found that for most households, the effects of opium trade were largely positive rather than negative: where the cultivation “increased income, allowed repayment of debts incurred as a result of the drought, and led to a decline in demand for credit even though cash and credit were now more readily available” (Pain 2008-a:33).

According to many, in Belcheragh, the drought had the reverse effects on the households. Pain also concludes that in general, with the end of opium cultivation, the demand for informal credit increased as well as migration to seek employment opportunities, while there was a decrease in cash availability and labor-based credit (Pain 2008-a).

#### *4.7 Drought*

The continuous drought in Belcheragh, by summer 2008, was having severe impact on most households that were dependent on rain-fed land as well as raising the market wheat



and bread prices. According to the interviewees, this pressured many households to ask for more credit than before, mainly from shopkeepers. Wealthy households were also affected; some hired fewer workers during that year and some did not provide credit to close family members and to others in the village consequently.

The drought that struck the northern part of Afghanistan led to an 80 to 90 per cent crop failure (Bauck *et al.* 2007) that continued until summer 2008. In Faryab Province, both *Abi* and *Lalmi* are common and since it is a semi-arid area, the rain-fed land is more prevalent. The Afghans had ploughed every potential hill and mountain slopes of the district. However, that part of the ploughed land is the most vulnerable to environment change. An interviewed farmer said, “Before the coming of the Taliban to the area, food and wheat were plentiful, and even though the security was not ideal with the warlords being in control and taking taxes from us, but with the coming of the Taliban, and their taxes, came the drought. Along with the drought came swarms of locust.” In fact, households were able to sustain themselves for fewer months than what they could in the past because of this continuous drought coupled with the repetitive locust attack<sup>55</sup>. It seems the droughts of recent years are regarded as having been more severe and much more frequent than previously experienced (Bauck *et al.* 2007). Although this condition affected all farmers that planted wheat, the most vulnerable were those that cultivate rain-fed land or invested in other’s rain-fed land. “Lack of water due to drought significantly affected the food security situation of all of the wealth groups [in Dai Kundi], either due to reduction of production on own land, or on the land one sharecrops for a share of the food, or the resulting lack of demand for agricultural labor for cash crops, thus affecting landless laborers as well” (Nyborg *et al.* 2008:18). This was also the case in Belcheragh. However, some interviewees raised additional concerns over the following situations affecting the self-sufficiency of the household:

- they are unable to prepare their own oil and during spring and summer 2008 they had to purchase oil from the market;

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<sup>55</sup> Apparently the locust plagues Northern Afghanistan on yearly basis and because of the past harsh winters and drought, the insect has caused lots of damage during the springtime. During my stay in June and July, there was a day or two where the locust were swarming everywhere. More information about the plague during that time can be found in these two articles of Reuters (<http://www.reuters.com/article/latestCrisis/idUSISL117128>) and ReliefWeb (<http://www.reliefweb.int/rwarchive/rwb.nsf/db900sid/KKAA-7FA8SD?OpenDocument>).

- *Khod Kafa* used to hire workers to help in cultivation and as guards but now they could not afford more than one worker; and
- many households found it hard to get access to big amounts of credit or provide any.

Nyborg mentions additional concerns that were common also due to drought, such as the availability of farm labor on the others' lands decreased, and that they had to change both the amount and composition of food. For example, they reduced the consumption of sugar and oil, and switched from wheat to maize (Nyborg *et al.* 2008). According to the latter author's research, households had to borrow food or cash, as credit, at high prices during the winter and spring months when there was a food deficit, or send a family member out of the village or country for labor, or mortgage land to pay for their debts, or finally migrate to earn enough money to repay and reclaim their land (*ibid*). All of these were also common in Belcheragh, as well as, the giving away of their young daughters in marriage to settle their debt or to be able to reclaim their land.

Equal access to water is a source of conflict between and within villages (Roe 2008). However, availability of water in Faryab has not been a major problem with the exception of these recurrent years of drought (Bauck *et al.* 2007). During my stay, there was some water conflict between several villages in Belcheragh District. Villages that were getting less water were claiming that villages that were located at the higher altitude and had access to the beginning of the Belcheragh River were not sharing the water. Because of years of conflict, there was a lack of maintenance of water management systems that, combined with the drought, were generating shortages of water all over the province (*ibid*).

#### *4.8 Sharecropping and leasing land*

Farmers get access to agriculture land through diverse systems of tenure, ranging from full ownership to leasing or sharecropping (Roe 2008). Studies indicate that such systems are rooted in the social, customary and economic institutions of rural Afghanistan (*ibid*). In Faryab Province, a substantial number of households either sharecropped or leased land (Bauck *et al.* 2007). Sharecropping and leasing are systems where credit is also involved and land is borrowed for its yield profits. According to the

interviewees, leasing is when the farmer provides the landowner with a pre-agreed value in return for the land. In Belcheragh, landowners lease when they are not able to cultivate all their lands. They migrate or move away, and hence cannot provide the supervision of tenants necessary for sharecropping; and in such a case, the tenant bears the risk of harvest failure. This system has a particular value for the less privileged households because they share the risk with the landowner (Roe 2008).

Sharecropping on the other hand, is when a contracted farmer and landowner decide on sharing the inputs and labor and accordingly split the harvest. In the study area, I recorded similar finding to Roe where the main agriculture inputs subject to negotiation were mentioned as labor, water, seeds, manure and oxen for plowing. The different types of sharecropping mentioned by the interviewees were found to be as following:

- the farmer had to provide half of the yields to the landowner if the latter provided the seeds or provided the oxen for plowing;
- the farmer had to provide half of the yields if the land had rich soil and had access to irrigation from the river; and
- the farmer had to provide one-fourth, and in some cases one-third of the yield if owner provided nothing.

Leasing and sharecropping are similar to informal credit systems with their connection to social networks and patron-client relationship. However, not all households can afford the risk of sharecropping or leasing. In fact the less privileged households are more involved in farm and off-farm labor.

#### *4.9 Farm and off-farm labor*

The less privileged households in Belcheragh depended on farm labor on the more privileged households' land as one source of getting access to agriculture income. Interviewees explained that most of the farm laborers were given their wage as food for one person (for a one year duration) and they did not receive cash in addition to that but received one-fifth of the yield of the land they worked on. In fact, most rural landlords in Afghanistan use temporary or permanent waged labor for agriculture production (Roe 2008).

However, many other households had to revert to off-farm labor to make ends meet. Rural Afghans are very resilient to changes and use dynamic strategies when under harsh economic and production conditions, such as drought, to secure their livelihood and to generate cash income, either by cultivating high-value crops, where they change crops and strategies between years, selling livestock, or by moving back and forth between agricultural activities and waged labor (Roe 2008). It was mentioned during the interviews that when the land was struck with drought during the past years, there was less or no harvest yield for the landowner and consequently for labor. Hence many had to find other jobs in the area or in Iran.

According to Roe, the households' capacity to access off-farm incomes is relative to some factors: mainly, "the size and composition of the household, its geographic location, the labor demands of each farm and opportunity costs of allocating labor elsewhere, and any preferential access (or barriers) to employment on the basis of ethnicity, kinship, or other social or political networks" (Roe 2008:77). However, the privileged households would respond better to off-farm labor opportunities as they are often not located in remote or outlying areas with more limited access to labor markets (*ibid*).

In Belcheragh, much of the waged labor was from the least privileged households, the landless and those whose conditions (former soldiers, war casualties, opium addicts, etc) presented them with no other alternative. Due to the drought, farmers have no other alternative but sell their land, offer it in mortgage or move to a cash-based waged labor<sup>56</sup>. According to the interviews and what I observed, landowners yielded a lot of power over the farmer and laborer<sup>57</sup>.

#### *4.10 Shops and other businesses*

Most shopkeepers from Turkmaniyeh and some from Sama'i had their businesses around the centre of Belcheragh's market. Because of that fact, it was mentioned that more households from Turkmaniyeh had better access to short-term and low value credits than

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<sup>56</sup> With the exception of carpet weaving, waged labor is a male activity and they provided their services in or outside of Afghanistan (Roe 2008).

<sup>57</sup> For example, some of the interviewed landlords had enough leverage to send their farmers and laborers to me as additional interviews although they were busy and could not have come if it was not for their landlords.

those from adjacent villages. *Khod Kafa* households in Turkmaniyeh were mentioned to be around 10 per cent where they cultivate land 10 months per year as well as owning their own shops and businesses. In general, shopkeepers were the most common sources of short-term low value informal credit either as cash or as food, goods or household commodities as follows:

#### As cash

Credit in the form of cash was acquired preferably from family members and friends, other households not related to the borrower and acquaintances from outside the village, but in most cases from shopkeepers. Such amounts were used to cancel other debts or invest in some livelihood activity, as well as to meet the daily demands for food and household necessities. The amounts borrowed from the shopkeepers ranged from 100 to 200 USD with an interest rate that reached up to 50 per cent (calculated once) for a period of a couple of months, up to one year. However, for larger amounts, households seek richer families or relatives, where a mutual trust existed in order to borrow 1000 to 2000 USD for a period of one year or even more, with interest rates of 50 per cent (also calculated once). It was mentioned that other forms of interest existed that were not so common besides the used one (50 per cent of the amount calculated once) and that was 10 per cent with an increase of another 10 per cent for each additional month until the amount was paid. Both the interest rate and the number of months that the borrower was expected to return the loan varied from individual to individual and from case to case, depending on how close their friendship or kinship was and on how far the creditor can wait, and perhaps until the right moment to seize the situation to an advantage. The creditor usually expected his borrowed money to return and in some cases the borrower had to borrow credit from a different source, offer land as compensation or in mortgage, as a last resort, in return for debt cancellation (Pain 2008-a). In certain extreme cases where the debt to the creditor, mainly the shopkeepers, accumulated into a relatively huge sum, girls or young women were given in marriage to the creditor, his son or other family members. *Mahr* was meant as to cancel the whole or parts of the debt. Interviewees did not reveal such cases implicitly during the interviews, but some hinted of their existence. Some of the NGO staff members that were familiar with the area confirmed their likely occurrences in Belcheragh.

According to some wealthy interviewees, credits of high amounts, such as 2000 USD, were becoming more common. Although some of the interviewees were one of the possible lenders in the village, they denied giving any or of hearing of who might be providing such credit. When discussed with poorer households, they also confirmed that it was common, but they would not venture into such credit since they had no land to offer as collateral. Since they had not taken credit, the interviewees with the less privileged households had no shame to hide and were willing to talk about the credit situation in the village more openly. They added that land as well as *Mahr* were considered as an asset or as collateral and did affect the household's power for negotiation over amounts of credit. Hence, young married couples that did not have land, or girls who were of adequate age to be given away in marriage, had little bargaining power.

#### As food, goods or household commodities

A very common and widespread form of credit is where the households defer payment for an advance purchase. Shopkeepers provided households with food, goods and or other household commodities in two or more different market prices, depending on who was asking for credit. Usually households visited shopkeepers with blood relations or strong friendships to be able to get goods without interest. However, for others, the shopkeeper provided the goods with higher prices of around 20 per cent that replaced the interest rate, since it was not going to be paid back immediately. Such loans were for a period of one to twelve weeks<sup>58</sup>, where Andersen found the period in her area of research to range between two and eight weeks (Andersen et al. 2008-a). Her research also found that the borrower never fully completes his debt but pays most of it in order to get a new loan (*ibid*). If the shopkeepers knew that the household was not able to repay the loan soon, he raised the prices even more for that particular household. By claiming such prices, the shopkeeper masked *Sood* and avoided being named a *Sood Khor*. Similar

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<sup>58</sup> “The shopkeeper normally keeps a record book of outstanding debts and the price of the item received on credit is not negotiated. It has been reported that the price of goods is higher if received on credit. In some cases, the price increases if the credit is not repaid after a month” (Andersen *et al.* 2008-a:49).

research in Northern Afghanistan<sup>59</sup> found the inflated value to alternate between 20 and 30 per cent (Pain 2008-a).

Tradesmen and shopkeepers from Belcheragh traveled to other towns and cities to conduct business, and as far as the city of Mazar-e-Chareef<sup>60</sup>, a very common destination for the populations in and around the northern provinces of Afghanistan. There they purchased goods and paid half the market price for them. The tradesmen and shopkeepers paid back the rest of their loan during their next trip to the city; as well as purchased new goods in the same manner. For example, one of the interviewees had a small truck and was transporting cooking gas tanks between Mazar-e-Chareef and Belcheragh. He paid in Mazar-e-Chareef for half the total price and then sold them in Belcheragh market area where his clients paid in installments for the gas tanks. He repaid the tradesmen in Mazar-e-Chareef accordingly and bought more gas tanks as much as could afford. Similarly, other interviewees mentioned how they did their transactions for the goods they bought and sold.

This type of credit smoothing was very important for the livelihood of the households because it allowed for less pressure on both the tradesmen, shopkeepers and on the households, since the debt pressure was transferred outside the district on wealthier traders that knowingly had little power to claim back their credit from a far off district, such as Belcheragh. Credit smoothing helped less privileged households to manage their finances until harvest or remittances from Iran arrives. Meanwhile, the shopkeepers yield leverage over them through the same loans. Such loan schemes were more evident in the carpet weaving loan cycles and were common in both villages.

#### *4.11 Carpet weaving*

Carpets are one of the symbols of the country and in the social context of Afghanistan, have an exchange value well beyond their monetary value (Pain 2008-a). In Faryab, carpet weaving has been producing high quality products, has been widely acclaimed and had been somehow exclusive to the Turkmen population. It is traditionally a female

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<sup>59</sup> According to Pain, the informal credit practice by shopkeepers is called *Nasiya* in Northern Afghanistan and in particular the term's usage was mentioned to be common in Andkhoy (Pain 2008-a). Although Andkhoy is not very far from Belcheragh, the term was not used there up to my knowledge.

<sup>60</sup> Mazar-e-Chareef is one of the major cities in the country and is located in the middle of northern Afghanistan and close to the borders with Uzbekistan.

dominated handicraft (Bauck *et al.* 2007). At the Belcheragh market, all around its four corners one can spot many shops trading in yarn, also known as *Nerkh*<sup>61</sup>, and pre-trimmed carpets. Most of those shops belonged to households from Turkmaniyeh and the reputation of the shopkeepers were of traders that provide the necessary livelihood income for many households. Turkmaniyeh was heavily involved in this trade since it was estimated that 220 households out of 240 work in carpet weaving directly and all households indirectly, while some had agriculture cultivation as the other main source of livelihood. According to CHA's survey done during autumn 2007, all the households in Turkmaniyeh were directly involved in carpet weaving, versus 18 per cent in Sama'i, where an average of 43 per cent was noted among the 40 villages in the district. This social and economic network is preserved by the household of both villages as one of their major lifelines.

Carpet weaving played an important role in village livelihood and power relations, more so for Turkmaniyeh since both poor and wealthy households and shopkeepers had a direct or indirect role in it. Each shopkeeper has a network of households that are affiliated to his shop through a cycle of debt thus continuously providing him with carpets. In return for the households' work, he provides them their living expenses, or parts of their living expenses. He also supplies them with the carpet's design.

It is based similarly to *Salam*, but I mentioned it separately since it functions differently than for example wheat, and is related to a different power cycle. This credit cycle started with shopkeepers providing a quantity and or quality of *Nerkh* (depending on the required carpet design) and food (rice and oil). The food was considered as the advanced salary which had been calculated to be around 20 USD per square meter of requested carpet design, although the shopkeepers claimed to be providing credit value of around 200 USD, consisting mainly of *Nerkh* and food, for a six meter squared carpet. However, the food was always provided with *Sood*, meaning with values up to 50 per cent higher than market prices. For example, it was common that shopkeepers provided per household enough *Nerkh* for a value of around 100 USD for a six-meter square carpet in addition to six liters of oil and 21 kilograms of rice, with prices twice as much as in the

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<sup>61</sup> *Nerkh* is an Afghan word for yarn.



market. Since the household needs oil and rice more during the period of the loan, they then had to work harder to finish the carpet earlier, but if they did not then they had to get more food as extra credit that placed them in debt to the shopkeepers. In this manner, the power debt cycle was complete and thus the shopkeepers continued controlling carpet weaving households. Moreover, for the less privileged households that are indebted to shopkeepers, it creates heavier workloads for women without their say in economic decisions in the family (Bauck *et al.* 2007). Once the carpet was woven, it was sold by the shopkeeper to whomever he wanted in the market, with the price that suited him.

According to the interviewees, carpet weaving involved from one female member of the household up to several, including some from the extended family members depending on their availability. Besides the involvement of three generations of women in weaving carpets, sometimes the stepdaughters and their daughters were usually involved. In some cases, carpet weaving would include up to four wives and their daughters and stepdaughters. Hence, this source of income was generated mainly from the handiwork of female members of the household. Although there is an increasing shift in the involvement of men in what has traditionally been a female activity, the related wool trade, treatment and the trading of carpets have always been completely male dominated (Bauck *et al.* 2007). There were other craftworks such as tailoring and embroidery that were common for both male and female members of the household, but they had few links to both formal and informal credit systems.

#### *4.12 Livelihood development aid projects*

Apart from the MC schemes, many interviewees mentioned some sources of aid but the most common was through the WFP. WFP had two projects; the first is called the 'School Feeding Programme' that provided 125.4 metric tons of biscuits for 6,889 children in various schools in the district. The second project is 'Work-for-Food Programme' that is being coordinated and facilitated along with MRRD. The 'Work-for-Food Programme' came twice per year to the district and started local projects that had been decided by DDA. The project required villagers to consult on their priorities, decide on the activity that would enhance their situation, and then participate by providing manpower and if needed tools, vehicles and donkeys. The *Shura* selected men from the

needy households to participate in the project as off-farm labor and they were paid with a certain amount of food. WFP provided 50 kilograms of wheat flour, 3.7 liters of cooking oil and 0.50 kilograms of salt for every 21 days of work per person. By the end of spring 2008, WFP employees stated that two-thirds of planned 111 metric tons of wheat flour had been distributed in Belcheragh<sup>62</sup>.

Two interviewees who worked for a while in one of the above projects claimed that each got roughly 14 kilograms of wheat flour and one liter of cooking oil through the 'Work-for-Food Programme'. Assumably, they got one-sixth less than what the WFP mentioned and there were rumors of discrepancies in the amount of wheat flour distributed. The *Shura* of Turkmaniyeh explained that they had met with the district governor and complained that they received less than what was promised to them, but the district governor was not able to help. The *Shura* of Turkmaniyeh accused the chairman of DDA, and at the same time the head of the agriculture cooperative in the area, to be responsible for the supplies to be delivered in quantities less than agreed upon with the CDC. According to the conversation with the *Shura*, the head of DDA took unauthorized commissions in the form of sharing the goods among family, siblings, sons and close friends first, then distributing the rest to the project participants. Moreover, the son of the chairman of DDA was appointed by MMRD to coordinate the WFP projects. The NGO staff members working in the area confirmed these accusations of favoritism. However, these accusations and other similar ones, draw a skeptic picture of the relationship between aid programs and powerful individuals possessing the keys and resources in the district. In the opinion of the *Shura*, the lack of control over the distribution of aid undermined both the government and the aid agencies. Even if the accusations were not true, and they were based on personal feuds and not on corruption, the fact still remains that the project works closely with the district's strongmen and thus strengthening the already existing hieratical system. In Takht Balouch, there was a similar situation between the *Shura* and the clergyman, because the latter was commission by MMRD and WFP to distribute the aid to the needy but he had decided on which household would participate in the project and not what the *Shura* would have chosen.

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<sup>62</sup> An infrastructure project was taking place during that time and WFP trucks were frequently seen bringing in supplies.

In conclusion, there are various sources of income in Belcheragh, from remittances, to agriculture and various farm labor, as well as off-farm labor, shop-keeping and other businesses, carpet weaving and development aid projects; and are contributing to all wealth groups within the two villages. However, in general, these livelihood sources are not sustainable for the least privileged households. They are dependent on low value loans, shopkeepers' credit, loans for agriculture inputs, continuous flow of remittances, development aid and other similar schemes. For most of the households in Belcheragh, none of the mentioned sources of income leads them to self-sufficiency, or provides them with food security and dignity from constantly asking for more credit.

But is the need to attain basic necessities, such as food, the only reason for the less privileged to ask for credit from the more privileged? During my research I discovered that unless there is no immediate need for livelihood income that can provide food, the household will not refer to extreme measures, such as mortgaging or selling land, depending on shopkeepers to provide them with carpet loans, or going abroad to secure a job. However, there are situations that leads to extreme measures that are not linked directly to livelihood, but to social institutions, such as marriage, burial ceremonies and others that forces the household into borrowing and accepting credit. Does such institution also lead to households' dependence on the more privileged to secure their livelihood?

### Social Institutions and Informal Credit

In his article, Hung (2000) states that the definition of social institutions varies, but researchers agree that the definition's essential features are action and relationship. He quotes Giddens (1989, p. 19) as an example, where the definition of social institutions is structured patterns "in how people behave and in the relationships in which they stand with one another." These social structures dictate certain behavior upon individuals within a community and enforce some rules that transcend the individuals. For instance, marriage is a main social institution. In Belcheragh, marriage has a considerable link to credit and is a main cause of debt among the households. As an institution, marriage binds the individual to a certain traditional set of norms and behaviors. In order to get married, the latter force households –in most cases –to abide by certain Afghan traditions of dower and dowry (*Mahr*) that I mentioned earlier.

After my first week in Belcheragh, I returned to Meymaneh to spend my weekend at the NCA guesthouse. I had several questions on my mind; one in particular was about the *Mahr* that the interviewees in Belcheragh kept mentioning as a burden for their households. Since the tradition of *Mahr* is common in all Islamic countries, in one way or another, my initial thoughts were that Afghans were simply unable to afford it! So during one of the several morning tea gatherings, I opened the discussion with my tea companions, the guesthouse's cook, drivers and guards. The discussion was lengthy and required more questions: do urban marriage traditions differ from rural ones? Does the value of *Mahr* also differ in that case? One of my companions was single and his mother was looking for a bride, so what are their family's challenges? How long does he have to work in order to save enough for *Mahr* and marriage ceremony expenses? How come the value *Mahr* is so high in Belcheragh and in Meymaneh? Both areas are not as privileged or as rich as major cities I had visited so far (Andkhoy, Mazar-e-Shareef and Kabul). Yet the *Mahr* values were as high as 20,000 USD! Most intriguing question: why do most

Afghan interviewees – including themselves – refer to the offering of *Mahr* to the bride's family and the uniting of the bride with the groom's family as *Forokhtan*<sup>63</sup> of the bride?

At the last questions, I realized that the subject seemed to be sensitive to them and they defensively explained that it was not *Forokhtan* but marriage and they found it difficult to explain why they call it that. Later on, some explained to me that it is termed that way because the intentions of few 'fathers of the bride' were to gain financial profits from giving away their daughter in marriage. My next set of new questions for the interviewees in Belcheragh was: why were the values of *Mahr* so relatively high compared to the obvious income of the Afghans? What does *Forokhtan* mean and why is the term blurry? And how are the last two questions related to credit systems and power?

During spring and summer 2008, more farmers were in need of credit and not as many were providing it unless there were guarantees; mainly, land that can be mortgaged, a family member that can travel and work abroad, a future bride that can potentially be given away in marriage and where her *Mahr* can be of economic and social value. Along the way, I also discovered that other social institutions, mainly burial ceremony and the act of charity are similar to the marriage institution.

### 5.1 Marriage dower and dowry: *Mahr* and *Jahez*<sup>64</sup>

*Mahr*, or dower, was an interesting aspect, which surfaced during the interviews, and is closely related to credit and power. In Afghanistan, *Mahr* is an ingredient in the livelihood formula and has an influence on credit interactions, as debt and as source of income and power for the households. In order to understand the link between *Mahr*, credit and power, a definition of the dower in the Afghan context, in Belcheragh and Meymaneh in particular, must be elaborated in terms of its historic relation to patriarchal society and values, common practices and impact on household.

The term *Mahr* used in the Qur'an has the connotation of a gift given to the bride. Dower is defined to be obligatory, delivered by the family of the groom and owned exclusively by the bride where she has the right to dispose of it as she wishes (Ibn al-

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<sup>63</sup> *Forokhtan* is an Afghani word the means 'act of selling'.

<sup>64</sup> *Jahez* is an Afghani word derived from the Arabic word *Jahaza* that means dowry, and according to the traditions of the Indian subcontinent and Central Asian countries: as the amount of (cash or goods) provided to the newly married bride by her family. Besides cash, goods, or land, the *Jahez* might include mainly jewelry, household utilities and furniture.

Sadlaan, 1999). Islamic nations deal with *Mahr* differently depending on the traditions of the past and influences of nearby cultures. According to the traditions I observed in Belcheragh and Meymaneh, *Mahr* had been intertwined with *Jahez*, or dowry. According to the interviewees, the practice of *Mahr* and *Jahez* was common in the researched villages, and was similar to *Mahr* trends in other rural areas of Afghanistan – but different from their urban counterparts. Such practices are a mixture of religious doctrine and tradition that transgress Islamic Law (Ibn al-Sadlaan 1999). A good example was what I observed in Belcheragh where the groom or groom’s family gave the *Mahr* to the bride’s father in order for him to purchase the *Jahez* for his soon to be wed daughter.

It was explained to me that when the family of the groom is ready, the male members pay a visit to the father of the bride. After the family of the groom shows interest, the father of the bride has to set a value for the *Mahr*. The value of the *Mahr* varies depending on many conditions that are beyond the scope of this paper. Afterwards, a discussion could follow regarding the value, but in most cases the groom’s family agrees to pay the *Mahr* without much discussion. The bride’s father receives then the *Mahr* from the groom or the groom’s family. In conclusion, the interviewees defined *Mahr* as a value, in cash or goods that the father of the bride agrees upon and that would be sufficient for him to pay for the *Jahez* and not what Ibn al-Sadlaan defines *Mahr* as a gift for the bride. Hence the definition of *Mahr* from now on is based according to the Afghan context and not the Islamic connotation.

There was no evidence of how much the females in the household had a role in the decision making (who shall marry and how much the *Mahr* value should be), but in some cases, where there was no dire need to give away their daughters for marriage, the women were the initiator of the marriage arrangement. Generally, the daughter might have little or no say about the value of her *Mahr* and might not have much control over her father’s spending on the *Jahez*. According to some, the more the household was keeping to the Afghan traditions, the less the daughter had any power over the value of the *Mahr*. According to some interviewees, the only possible power she had was to lose her virginity through a relationship outside the marriage, or claiming to have lost it. Perhaps then she ensures that the groom’s family would not have to pay a significant

*Mahr* to her father and she can get married. In cases where there is a suspicion that the bride has lost her virginity, the groom's family would not pay *Mahr* at all. Hence losing the value of *Mahr* has both an economical significance as well as a source of shame. It was noted that in some instances, some couples used rape accusation to evade the *Mahr* and at the same time sacrifice the honor of the bride (Bauck *et al.* 2007).

One of the blurry perceptions in Afghanistan was the use of the word 'selling' when speaking about marriage. Some authors consider *Mahr* to be 'bride price' paid for the acquisition of women and some judge it a religious aberration. These terms are rather problematic, however, since *Mahr* and *Jahez* are deeply rooted in the culture and traditions that cannot necessarily be judged simply 'human trade' or 'bride price'. In fact, the perception of *Mahr* was blurry even for many Afghans interviewed, where it was unclear if *Mahr* was considered as a value agreed upon by two families for the sake of the newly weds or if it was the bride price of a woman sold to another family.

In 1978, President Noor Mohammad Taraki declared that with the new legislation '...the hard working peasants were freed from bond of oppressors and money lenders, ending the sale of girls for good as hereafter nobody would be able to sell any girl or woman in this country' (Standal 2008). After the Saur Revolution of April 1978, one of the first radical reforms of the communist regime government was an attempt to alter the political and social structure by introducing laws that could provide women with more freedom and eliminate the *Mahr* tradition, at the same time being applicable to all citizens in both rural and urban areas (Standal 2008, Jones 2006). These reforms were perceived as a challenge to the religious and patriarchal social structure; in addition, their impact in rural areas disrupted the financial systems, affected traditional transactions, caused economical difficulties for many households and led to local violence (Moghadam 1992). This law did not work in the rural areas but did work to a certain extent in the main Afghan cities. As per conversations with NGO staff, it was known that in Kabul and other cities, pro-government people crashed weddings that had used the traditional *Mahr* and stopped it even if *Mahr* was not involved but the two families had spent too much money on the celebration. They added that this law did not last long and when the Soviet Army invaded Afghanistan, everyone returned to using the common high value *Mahr*.

In fact, the minimum age for marriage is 18 according to the law, but this is rarely observed and usually women do not take part in the decision-making that is given to them as a right by both the state and the religious *Sharia* (Standal 2008). *Mahr* in the Afghan context is much more complicated and has no relation to Islamic Laws, but rather to the patriarchal male dominated and traditional society of Afghanistan, where men have control over the women's choices and allow her no economical power, to say the least (Moghadam 1992 and Jones 2006). As an example of such violation, some female interviewees in Faryab mentioned that they were not happy when young girls were forced to marry older men, often for economic benefits for the bride's household (Bauck *et al.* 2007).

Commonly, the bride was able to visit her family when possible. A possible sign that can indicate an extreme case that a father has actually given his daughter in marriage for pure economic benefits was when the bride was never able to see her family again. There had been examples of similar known situations. For instance, a couple of interviewees recalled that during the harsh winter of 1972 – 1973, also known as the year of Bangladesh, there was a drought that forced people from the districts of Faryab to go to the cities, such as Meymaneh, and give away their daughters for a certain amount of wheat so they could go back to their rural areas and feed the rest of the family. Those families never saw their daughter again. Also, during spring and summer 2008, it was rumored that in the northern district of Qaramqūl, some fathers could still go there and give away their daughter in marriage for a cash value where her fate was to work in the carpet weaving industry. No evidence was found that this sort of marriage arrangement had been taking place in the researched area. Such subjects, as the financial issues, are surrounded with shame and honor. In general, it was difficult to detect which marriage was of such nature and which was not, but it seems acceptable by the male interviewees to take such actions in the cases of dire need of credit. From the perspective of the fathers interviewed, if his household cannot afford feeding the children, then the daughter is better off in someone else's care and she would be sacrificed for the sake of the family. Whether the daughters and brides-to-be are aware of this is something that this research has not explored.



According to some of the NGO staff that discussed *Mahr*, there are variations and exceptions to the rules and practices depending on the consciousness of the bride's father rather than anybody else. The father of the bride might spend all or part of the *Mahr* on purchasing *Jahez* for his daughter, might or might not include her in the decision-making, and in some instances the daughter might not get any *Jahez* at all and the father will use the *Mahr* value for livelihood purposes, with or without her consent. It was repeatedly mentioned that in cases where the father had some cash or goods remaining from the value of the *Mahr* and after purchasing the *Jahez*, he would then use them for expanding his business or pay his debt. The different practices of this tradition could not be easily classified since they varied in different areas of Afghanistan, and the value of *Mahr* varied because two families had to negotiate its terms. Some of the noted practices were:

- marriage could be across villages and transgress ethnic boundaries but not the socio-economic ones (but in extreme cases where the less privileged give their daughters to richer families);
- marriage could take place with the bride being as young as nine years old;
- relatives tend to burden each other less and in some circumstances the groom did not pay *Mahr* at all but simply purchased the *Jahez* directly. Similar situations could be relatively more common in urban areas, such as in Kabul, even if the families were not related;
- when interviewing some poor households from Sama'i, they mentioned that they could not afford any sort of *Mahr* and they tend to exchange daughters between similar social and economical households;
- *Mahr* could also be linked to family planning, that is the number of wives and children needed in order to secure their food and livelihood;
- if the price of *Mahr* is too high, some women might not get married because they pass the age of marriage. The high price of the *Mahr* makes it challenging for suitors, while the fathers of the bride continue to keep the *Mahr* at a high value, for certain reasons; and finally,
- Turkmen households, such as in Turkmaniyeh, had a common practice where the groom announces if his newly wed bride was a virgin or not during the wedding night because in the case she was not a virgin, besides the shame to the bride's

family, the groom's family can demand their *Mahr* back. Hence, if a bride was not a virgin, no *Mahr* value will be attached to her.

I found that the *Mahr* value varied according to family relations, income, rivalry, religious values, and rural versus urban settings. Before the revolution of 1978 the general values of the *Mahr* in Faryab Province roughly ranged between 200 USD and 500 USD depending on whether the marriage was taking place in the village or city. According to interviewed NGO staff, "in some rural areas the *Mahr* used to be equal to 12 cows, but in the urban areas, such as in Herat, the *Mahr* was as expensive as the current time." Later on and during the times of struggle between the *Mujahideen* and the Soviet Army, the price of food and commodities increased and so did the value of the *Mahr* in both rural and urban areas. The increase in the value of the *Jahez* spurred an increase to the value of the *Mahr*. Afghans used goods to price *Mahr* and stopped cash during the days of war because that reflected the true value and not their devalued currency. Currently, and even in an isolated, drought stricken and barren mountains of Belcheragh, the interviewees stated that the *Mahr* value to range between 2,000 USD and 4,000 USD, but for some well-off households the value of 10,000 USD was common and sometimes up to 20,000 USD, similar to values found in bigger towns of northern Afghanistan. Not all the *Mahr* necessarily was paid in cash, but sometimes in the form of land, cattle, jewelry and or goods.

The value of *Mahr* has been increasing over the past decades but also it has a pandemic effect among the households. As some household increased the value, others followed suit. Individual households fixed their daughters' *Mahr* value depending on several reasons, mainly, her family's social and economic status and number of suitors that were interested in being associated with her family. According to some interviewed young grooms-to-be, there were additional reasons to be considered, such as if the bride-to-be had or had been rumored to have had a relationship, if she was known to be physically attractive in nature and if her father had alternative motives based on envy and social status considerations. An interviewee gave an example from his case. His mother found him a young 15 year old he was about to ask her hand in marriage from her father. The negotiations took place during two to three visits. It just happened that the neighbors of the young bride to be had asked for 3,000 USD for their daughter's *Mahr*. Hence the

father of the young bride has informed the interviewee that he will not consider a value less than 3,000 USD. The reason for having the same value as the neighbor, the young groom-to-be informed, and confirmed by NGO staff later on, was because the father of the bride to be was envious of his neighbor and considered a value less than 3,000 USD for his daughter to be shameful.

In addition to the *Mahr*, the groom's family had to pay for the ceremony and the expenses range as well but the most common highest value mentioned was 4,000 USD. The total value of marriage expenses also corresponds to the economic and social status of the household. In most cases in Belcheragh, in order to pay the *Mahr* and the ceremony expenses, the groom's family sent the groom-to-be either to the urban areas or in most cases to Iran, for three or four years at least, but some stayed for ten to twelve years. The groom, or groom-to-be, worked in available job opportunities that were mostly hard labor. He would try to save all or most of the *Mahr*'s value. A few traveled to urban areas and major cities in Afghanistan, such as Mazar-e-Shareef. The practice in Turkmaniyeh village was that when the two families agreed about the value of the *Mahr*, the groom and bride-to-be got engaged and the groom traveled to Iran after the engagement so he could work and save for the *Mahr*. In Sama'i, after the agreement, a marriage took place where the bride stayed at her parent's house until the groom returned from Iran with the *Mahr* value. The female interviewees vigorously expressed their frustration of such traditions, because (a) the couple had to wait years while the teenage girls or young women suffered waiting for the only possible opportunity for independence, (b) the young groom had to do hard labor in a foreign country and (c) because some brides got pregnant after the marriage and had to raise the child without a father for a while.

In relation to credit and power, *Mahr* plays a role in increasing the credit cycle and giving the more powerful and relatively richer men access to their households through marriage. If the household does not have the necessary *Mahr* value and cannot send the groom abroad to save the necessary value, the groom, or his father, acquires a loan, mortgage or sell assets such as a car, land or a shop. According to the interviewees, they would seek credit from extended family members first, and if not possible they would try to get a loan from different sources. Such loans drew the households into a

credit cycle where they had to revert again to selling their land or mortgaging it in order to pay the initial loan they took for the *Mahr*. This is confirmed by some research that found that many rural households end up borrowing money to meet the expenses of *Mahr* that would eventually lead to indebtedness and financial devastation (Moghadam 2003). In the case where the household had to take a loan, in the form of cash or mortgage, large amounts of cash in order to afford the *Mahr*, they borrowed from wealthier families from the village or from outside the district. The interviewees indicated that the repayment was in installments with a high interest rate of 50 per cent (calculated once).

Moreover, when the household could not pay a debt, they turned to giving out another daughter in marriage to someone that was able to settle the debt for them: a rich household, a shopkeeper, etc, but in some cases when the situation is urgent they would usually give away their daughters to someone that was not able to find a wife for marriage without such schemes. On the other hand, households that are able to afford or can offer a high *Mahr* of 20,000 USD without the need of borrowing the amount meant that they were *Khod Kafa* and are also able to influence power relations and credit interactions in the village.

As mentioned before, female interviewees specifically complained about such situations. And on the other hand, some of the male interviewees admitted that the payment of *Mahr* was blurry and a controversial issue. In order to better understand the complexities of livelihoods in rural areas, the *Mahr* and the *Jahez* would have to be extensively researched in Afghanistan.

## *5.2 Burial ceremony*

Another interesting factor related to credit and power that I came across was the cost of the burial of the dead. However, the expenses that the household endured when there was a death in the family were not seen as an expense but as a duty. For some interviewees, shame was associated to merely talking about it as a burden. Hence, when the interviewees were asked about the financial implications for a burial ceremony on the household, they had different opinions about its financial burdens. The common cost for a burial ceremony ranged from negligible costs for the least privileged household to

2,000 to 3,000 USD for the relatively well off households, while for the wealthy households, the cost ranged from 5,000 to 10,000 USD.

The rituals connected to the burial ceremony consisted of cooking and providing food for visitors from the extended family members and friends for three days. A week later the same rituals were repeated for one day, then again forty days later. The 40<sup>th</sup> day was when the households held a big ceremony and distributed food in honor of the dead to as many people as possible. The act of cooking and distributing food was a form of traditional charity linked to duties that were associated to that day. These practices are common in similar forms among other Islamic countries. These traditional ceremonies pressured poor and rich households into keeping up with the rituals and in some cases forced them into taking credit, in order to pay for the expenses. Nevertheless, and according to most interviewees, its effects on the households were not comparable to the effects of marriage costs.

### *5.3 Charity: Zakat, Khairat<sup>65</sup> or Qars-e-Hassaneh*

Finding how the *Zakat*, *Khairat* and *Qars-e-Hassaneh* were dispensed was difficult. For the interviewees there was a blurry line between what was considered charity, as dictated by Islamic Law, what they considered as being an act of charity and what was considered as *Qars-e-Hassaneh*. This part of the chapter will explain how *Zakat* and *Khairat* were perceived.

In addition to being an Islamic law and related to the financial and traditional duties of the household in Afghanistan, *Zakat* was also considered a rather personal issue not to be disclosed easily during an interview. Shame and honor were associated to giving and accepting charity. The only interviewee who claimed to receive *Zakat* was a clergyman and it appeared as if he was disclosing his salary. Clergymen calculate the amount of assets and capital of households that are able to pay their obligatory religious dues and distribute it to the poor after taking half (Andersen *et al.* 2008-a). In general, *Zakat* and *Khairat* were mentioned to be in different forms and not necessarily cash; for example, charity could be cooking and distributing food during religious ceremonies or when there was a death in the family. It was underlined that households that were able to

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<sup>65</sup> The obligatory charity is *Zakat* while the voluntary charity is called *Sadaqah* or *Khairat*.

yield power were also able to provide *Zakat*, *Khairat* or *Qars-e-Hassaneh* to meet up to their higher social and economical statuses. Apparently most *Zakat*, *Khairat* or *Qars-e-Hassaneh* goes to the extended family members of the donor household (*ibid*). Few *Khod Kafa* interviewees claimed to give *Zakat* and *Khairat* from time to time. This charity was sometimes interchanged with informal credit when the latter was considered part of either *Zakat* or *Khairat*.

It was agreed by all that the more privileged households provide charity or credit and the beneficiaries were the poorer households, widows and clergymen. It was also mentioned that widows might receive from one to several benefactors. Moreover, if the harvest were poor, the farmer would go and ask his landlord or other households for *Zakat* in the form of wheat grains (Pain 2008-a). This kind of venture also implies that there is a hidden debt between the giver and the taker. The households would have to support the power hierarchy as long as they accept and as long as they are provided with charity.

The burial ceremony is an expense repeatedly mentioned but not as a major burden on the household. Even if it is of financial burden, it is dismissed as one, since mentioning it is an act of disrespect to the dead. Charity, in its various forms, is mostly of low monetary value. It mainly benefits the least privileged households financially and strengthens the power relation of those that can afford to disperse it. Both burial ceremonies and charity institutions are relatively less influential in the credit and livelihood cycles of the Afghans, in comparison to *Mahr*.

The marriage institution serves the social and economic networks in Belcheragh through several 'links'. First, the financial aspect of marriage is mainly male dominated, since they have the a lot of power in deciding the value of *Mahr*, in deciding who will marry who and according to which tradition, norms and values, in deciding in which form the payment will be handled (in cash, goods, installments, credit, etc.) and if *Mahr* will precede marriage or not. Secondly, a loan is required in most cases where marriage between two families that have agreed over *Mahr* and is to be paid by the groom's family. In such a case, the *Mahr* should be paid immediately (if enough assets are available or if they can exchanges brides), and if not available then the groom's family

has to ask for a loan. The main solutions for the groom's family that require a loan for the *Mahr* are limited to sending the groom (or some other family member) to Iran, or taking high value credit from family members or more privileged households they trust in the village. In certain situations where the groom's family cannot afford to pay back the credit, they have to mortgage the land or sell it to another household, sell other assets or give away a daughter in marriage to the lender or some other privileged household that can pay their debts in return, fully or partially.

If their strategy fails, in extreme cases, they are at the mercy of households that can provide high value credit. More privileged households can exert certain power over others that need their credit. Their assistance in repaying debts, whether related to lack of financial means to pay for food and other necessities, to afford *Mahr* and burial ceremony or even marriage ceremony, will place them at the top of the hierarchal pyramid. Credit acquired through informal social networks are not the only form of credit that strengthens the hierarchal power structure. Formal credit also has a role to play, although different in nature, it exerts similar trends. This will be discussed in the next chapter.

### Insights into Formal Credit

MC schemes in Afghanistan are the extension of a service similar to others around the globe that provides small loans to spur entrepreneurship for low-income clients lacking access to credit that is regulated, monitored and delivered within a system of rules. Since informal credit was more often used for consumption and debt repayment, MC could fill a specific local gap for credit used to spur entrepreneurship, strengthen traditional sources of income and alternative sources of livelihood (Andersen *et al.* 2008-a). Based on interviews, this chapter will describe two MC schemes working in Belcheragh and the challenges faced.

#### *6.1 The two micro-credit scheme projects*

By spring 2008, two MC schemes had been introduced in the district of Belcheragh. NCA funded both projects and they were implemented by two local NGOs: NPO/RRAA and CHA. NPO/RRAA was implementing an agricultural project in cooperation with farmers from local agriculture cooperatives. CHA was implementing a project with village *Shura*, more specifically with the *Shura* for Women. Both projects started in 2007. According to NCA staff from Meymaneh Office, there were around 62 registered villages in Belcheragh district where the number of beneficiaries from both MC schemes did not exceed four per cent of the total households.

The MC scheme was rotational, that is the amount of credit was rotating among new households in each cycle. In addition, NCA and partners had a policy that the entire MC provided would be without *Sood*, in Belcheragh. According to the farmers and carpet weavers interviewed, credit without *Sood* was acceptable because otherwise it would have been more of a burden for the project participants and it would have been against Islamic Laws. While in research papers mentioned earlier that studied MC



projects mentioned that the NGOs asked that their MC schemes include *Sood*<sup>66</sup>. In Belcheragh, the MC schemes that NCA provided were without *Sood*. This fact was met with appreciation from the beneficiaries, not only because the interest would be an extra financial burden but also because it was in accord with Islamic *Sharia*.

### *6.2 Micro-credit scheme: targeting male farmers*

NPO/RRAA was established in 1990 under the name of the Norwegian Project Office (NPO), taking over some projects implemented by the Austrian Relief Committee since 1984. Norwegian NGOs were supervising the organization until 1993. The year after that, the name was altered to Norwegian Project Office/Rural Rehabilitation Association for Afghanistan. The projects assisted in delivering services in health, livelihood and civil society enhancement.

#### Description of the program

In Belcheragh district, and among other projects, NPO/RRAA was implementing a rotating MC scheme project without interest rates or overhead costs. The NGO entered each community and met with NSP *Shura* to provide information about the project. Then they contacted farmers in collaboration with newly created agriculture cooperatives; one of which was headed by the same person heading the DDA and had common farmers from Turkmaniyeh and Sama'i villages. The project provided 23 farmers from that cooperative with two different types of one-year rotational credit: the first consisted of one bag of improved wheat seeds and one bag of fertilizer<sup>67</sup>. The second type of loan consisted only of 100 USD in cash that the farmers were meant to utilize for livelihood related activities. The farmers were the first group to receive such credit and had to pay back to the cooperative that was responsible for managing the transactions. The cooperative collected the paid back loans and distributed them in turn to new farmers. The cooperative's administrative body had prepared a list of the most needy households and is planning to organize the MC to rotate among farmers from the cooperatives. The role of NPO/RRAA was to supervise and facilitate the work, and build the capacity of the cooperative administrative body.

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<sup>66</sup> MC constituted an alternative to informal transactions with *Sood* and it was more acceptable because the households were used to *Sood* (Kantor 2009).

<sup>67</sup> The fertilizer content was made up of diammonium phosphate (DAP) and urea.

Farmers used the cash type of credit to plant various crops in their land and were starting to sell their yields in the market and use them for their own household consumption. Only richer farmers with irrigated land or poorer farmers who were working in others' irrigated land were given funds since they can plant and will be able to produce results, given that rain-fed land had not been productive due to the constant drought. The scheme, whether cash or wheat, meant to strengthen the financial capabilities of the farmers by starting an investment that would sustain itself year after year. The cooperative at the same time would be empowered and have its reputation strengthened. Several points were concluded during the interviews with NPO/RRAA and farmers from the two studied villages related to the effects of agriculture MC scheme on their livelihood situation. They were as follows:

- the farmers purchased and planted different types of crops with MC cash in the irrigated land, besides wheat, that helped increase production of the land, diversified crops during the drought and reduced household's mono-crop dependency;
- the farmers used fertilizer that improved the yield and was a rather new practice among the farmers in the area;
- the farmers used improved wheat seeds that gave higher yields compared to common wheat seeds in the market or provided by aid agencies and the government;
- the farmers purchased with MC cash some cattle (cows) that helped in diversifying and increasing sources of income;
- some farmers discontinued requesting credit. It was mentioned by *Khod Kafa* households that the farmers that participated in the scheme did not ask for any loan this year; and finally,
- the farmers increased their knowledge of finances, built the capacity of the household and the cooperative, in general.

#### Challenges faced by farmers and NGO staff members

However, there were some challenges to the project's livelihood development during that time and in the process. The first challenge was the fact that the increase in food and fuel prices was affecting all households and might had lessened the desired impact of the

project. Secondly, the scheme was not exclusive for the less privileged households. Many project participants were already one of the richest in their villages, as in, head of cooperative, landowners and or their direct family members. Witnessed by other researchers, some of the MC loan takers were either family members or farmers working for the privileged households, hence some of the loans were collected for another person. A similar situation was encountered in Andersen's research (Andersen *et al.* 2008-a). Finally, the project was also exclusive to landowners that had irrigated land. Those landowners were mostly rich to medium households and were not in need of the scheme as others were. However, and in general, all the farmers were positive regarding the scheme affecting their livelihood incomes, but at the same time, it was hard to see its potential impact during a drought period.

The challenge that NPO/RRAA had in distributing credit to the most needy was unavoidable since according to the project parameters, the NGO had to work with grass root organizations such as the agriculture cooperatives. In that respect, NPO/RRAA was caught in the middle between providing funds to the most needy beneficiaries according to the donor agency's project proposal on the one hand, and pleasing the powerful men at the village and district levels on the other hand. Until the project targeted most of its activities towards the less privileged, the scheme would continue to be in accord with the existing traditional power relations.

The farmers were using improved seed variety as loans that they had to pay back in seeds from their own yield. The improved wheat seed produced better yield results than the common wheat seeds in the market and used in the traditional credit systems. NPO/RRAA expected the high yield of the improved variety to attract more farmers into the scheme. With the introduction of MC, demand for some of the informal credit with *Sood* has been less. As in other research, MC has been much appreciated as an alternative for some types of credit (Andersen *et al.* 2008-a).

It was interesting to note that some beneficiaries invested in the purchase of cattle as an innovative approach rather than planting crops. The scheme gave room to such possibilities where the farmers can decide on their priorities. Some, but not all from the same cooperative, sold their share of wheat and fertilizers and most probably were not able to pay back the credit to the cooperative. As seen in other research, a few of the

participants did not differentiate credit use by its source, for example, instead of spending loans from the MC scheme on investment and production, they spent it partially on consumption (Kantor 2009). However, interviewees did not state that MC was pushing borrowers towards borrowing heavily from their informal networks, as was the case in some cases mentioned in other studies (*ibid*).

### *6.3 Micro-credit scheme: targeting household women*

CHA was established in 1987 with main core activities that include building a better community and civil society, improving livelihood through participatory needs assessment and delivering basic social services, particularly in education, health and agriculture. CHA received funding from many donor agencies, institutions and International NGOs, mainly MRRD, UNHCR, FAO, USAID, EU and several Western embassies. The organization had regional offices in many districts of nine provinces in Afghanistan.

In Belcheragh district, CHA was implementing a rotating MC scheme project, without any interest rate or overhead costs, in collaboration with village men and women *Shuras*. CHA entered each community<sup>68</sup> and met with NSP *Shura* to provide information about the project. The *Shura* was asked to spread the information throughout the village. Together they created a committee that reported to the women's *Shura* and managed the credit system. CHA was responsible for training women in carpet weaving and other handicrafts, assisting in credit distribution, forming a committee from the trainees and building the capacity of the committee in order to manage the transactions. The returned funds during the span of one year would be used to initiate other loans starting with the needy households. The same *Shura* would prepare a list of trainees and candidates for the credit scheme.

The project aimed to strengthen the role of the female *Shura* members, and female household members by training them, building their financial capabilities and helping them to start an investment at the household level that would sustain their livelihood year

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<sup>68</sup> When the CHA female staff members met with the women from Belcheragh they were surprised because the women did not show their faces and were not willing to unveil themselves, even in the presence of only female NGO staff. According to the later, the women were not used to strangers and were too shy even in front of other women.

after year. Each woman was given 200 USD credit for one year, from which they had to purchase *Nerkh* and start weaving a carpet. They had the opportunity to work individually or in groups (depending on the size of the carpet). By the end of spring 2008, they had started to sell their carpets and start with another. They used untraditional vertical looms and the equipment that was provided to them during the training. They expected that the next round of MC going to individuals or groups had to build new looms or use the traditional horizontal type. From the profits, they would purchase food for the family and pay back their loans to the committee.

#### Achievements of the program

In general, the carpet weaving training and MC scheme effected the situation of female members of the households that were involved in the MC scheme. Several points were concluded during the interviews with female interviewees from CHA staff members as well as project participants from the two studied villages. The MC scheme helped to:

- improve the quality of one of the important livelihood sources that does not depend on rainfall but on a increasing demand in the market;
- provide support for and protect the dignity of Afghan widows, with them being one of the most vulnerable households that could benefit from such a scheme;
- introduce a new technology: vertical looms, where the women can sit down and weave. Such a technology, according to NGO staff, would lessen one of the burdens of carpet weaving since the traditional horizontal loom demanded a constant kneeling down and undermined their health (increase in knee and backaches as well as respiratory problems) and increased time required to do other household activities;
- provide trainings in new skills for females, mainly: weaving using the vertical loom, networking among each other and managing their finances that could be utilized for securing better income opportunities;
- provide free equipment for the first group of trainees;
- give the females the opportunity to transfer their trained knowledge in the future to other female family members and they in turn might have to teach others too;

- give the females the opportunity to form a group among themselves. This group would consist either of females of similar interest in the MC schemes or females related to each other and related to the MC scheme;
- double the household's carpet weaving income since they collected the profit from selling the carpet themselves without shopkeepers acting as middlemen between them and the market; and finally,
- give the females the opportunity for their household to market the carpets themselves (by sending male household members to the market on their behalf to bargain) and lessen the influence of the shopkeepers on the price of the carpets.

Some women used the MC for other uses and for starting a new business: some purchased animals for their meat; some started their own grocery shops, trade or provided specific goods for other households, etc. This phenomenon was not only in Turkmaniyeh and Sama'i but also in other villages. This diversity shows that the women were using the credit for priorities they found suitable rather than continuing with carpet weaving. These changes were not per project cycle and might effect the credit collection for the next round. In another nearby village of Toghlamas, the committee members were involved in tailoring, carpet weaving activities, as well as innovating business ideas. During the first month and half, after their training was over, a group of four females finished one carpet and they had invested 200D for purchase of yarn (each contributed 50 USD) and a man from their families sold it for 500 USD. From the profit they were planning to start a new carpet, invest in the purchase of goats, chicken and even buy groceries and sell them in the village. They were hoping to open their own mini-market. They were also planning to teach their new technical skills and financial knowledge to their sisters and extended female family members. In order to pay back the MC loan, they had to save 40 USD each from the sale of the carpet, and when enough had been saved, they planned to start a new scheme with a new household. Some of the groups had collected the MC and had bought enough cloths to open their own tailoring shop in the village. However, from the numbers they provided during the interview, it was not clear how they could manage to save for the next year as well and become self sufficient from the scheme completely. If the amount of rice, oil and other necessities that were traditionally provided through the informal credit scheme of the shopkeepers were to be

considered on top, then they would not be able to save enough, but still had to be dependent on another round of MC scheme. This is the dilemma is also found in other research, that often the profit from MC scheme investments does not appear to be enough to meet both food expenses and future investment; concluding that there will be a repetitive need for MC (Andersen *et al.* 2008-a).

#### Challenges to villagers and NGO staff members

There had been several challenges in the process of the project development. According to some interviewed, the MC scheme provided enough to purchase food and high quality *Nerkh* for carpet weaving but still not sufficient to sustain the household during the period when the carpet was being weaved. During the interviews, many challenges were noted and discussed, such as, many of the upcoming trainees were the family members of the recently trained and not the needy members of the village. Not all the households were from the less privileged members of the village but they were still included in the scheme. Some of the participants were wives, daughters and or directly related to the wealthier village households. Similar finds in others part of Afghanistan show that it was very common for *Shura* to identify first the well off, their own relatives, rather than the poor (Nyborg *et al.* 2008). Female interviewees confirmed that during the interview and they raised their concern too.

Most of the profits made from the sale of carpets were being spent on food and either on the repayment of the loan or on an investment for the next carpet, but not both. In fact, other research claimed that villagers that took MC loans spent some of it on consumption, and afterwards expressed concern that the economic benefit from their livelihood project was insufficient after repaying the loan, “leaving them to depend on getting another loan to meet expenses for the winter” (Andersen *et al.* 2008-a:iii). In Belcheragh, it was evident that the sustainable process of regenerating income for the household in this MC scheme depended on many variables:

- whether the committee managed to collect the loans from other group members enough to start a new cycle of beneficiaries;
- whether they would manage to purchase *Nerkh*, food and be able to save enough to pay back the loan and purchase a new round of *Nerkh*;

- whether the already trained females managed to train others in the family or village on how to use the weaving loom;
- whether they managed to keep the committee unified in purpose and expand according to the plan and not confine their efforts towards their own families;
- whether the future trained groups would be able to purchase or build a new weaving loom. There exist no sustainable mechanisms to duplicate the vertical loom that was initiated by CHA. After the training was over, each four trainees got one of the looms used during the training and from the second round of rotating funds it was planned that the new households must have their own looms. However, if they already owned one, then it had to be a horizontal one. The looms could be reproduced at a carpenter's workshop but the funds available from the MC were not sufficient to cover that investment and at the same time provide income, even if the looms were paid for collectively; and finally
- whether the design for the carpet would be of significance whether purchased from the same shopkeeper that provided the *Nerkh* or if provided to the beneficiaries from the NGO. The shopkeepers traditionally provided the design for the carpet. CHA helped the trainees by getting a market-desirable design from a merchant in Andkhoy but with no concrete sustainable plans for future considerations. Later on, some of the beneficiaries had to get designs from the shopkeepers. The dependency of relying on NGOs and or the shopkeepers for a marketable design harbored a risk in the future where merchants might not find the carpets desirable.

The NGO staff and the shopkeepers mentioned that the two different types of looms used for weaving were a sensitive matter for them. The shopkeepers claimed the carpet was of lesser quality when a vertical loom was used. The reasons were not clear, whether it was a new technique introduced to the area by CHA and the trainees had not practiced enough on it or because they were not content with the MC scheme. It was seen as the shopkeepers' attempt to devalue the product and undermine the project. The female interviewees confirmed that the produced carpets were less desirable in the market, not only because of the quality, but they blamed the shopkeeper for using an excuse to bring down the price because the MC scheme was seen as a competition. CHA supported the



vertical loom and not the horizontal one because the latter was unhealthy for the worker. Using the horizontal loom the women had to bend down on their knees facing the loom, which resulted in inhaling of wool threads and developing pain in the knees and back. According to the interviewees, it was common practice among some households to take opium as a painkiller. The women, when working on the vertical machine, sit down on a chair and work relatively more comfortably.

Three main insights were concluded from the discussions during interviews about the MC schemes. The first was that the interviewees perceived credit systems not so much with regard to where the source was from and how legally binding it was, rather they valued MC more in relation to the interest that was attached to it, as well as the power leverage it created between them and the NGOs, or between them and the strongmen from the village that placed them on the MC list of beneficiaries. The second insight was that informal credit and MC complemented each other, since they met different household credit needs. According to Andersen, the informal credit was used more as “a means to meet daily consumption needs while MC meets consumption needs as well as... investment opportunities” (Andersen *et al.* 2008-a:52). The third insight was that the more privileged households played the role of providing informal credit to the social network they belong to, while on the other hand NGOs played a role in providing credit to a different social network. Those networks were also intertwining. For example, in the MC scheme some of the more privileged households joined the project because of their status in the village and consequently decide who and how much other households can have access to credit; some of which belonged to their network and not necessarily to the new network the NGOs created. The formal credit system also comes with its own social networks that consist of NGO staff, community leaders and other privileged households, in addition to a list of households that could be vulnerable and needy, however in some cases they are not so vulnerable in comparison to other households. Therefore, NGOs provide a parallel power relation, as in the informal credit. This relation affects Afghans at the household level and extends beyond the village, strengthening similar power networks at the district and province levels. Andersen also concluded that MC can either strengthened existing social networks that are based on

“hierarchies in the village or within the household and are driven by factors such as wealth, status and gender,” or otherwise affect it (Andersen et al. 2008-a:53).

The NGOs in Belcheragh District are facing challenges that influence the effectiveness of the MC scheme. These challenges are part of any project risks but are important to be aware of since they are related to how the social network functions. They are summarized as:

- the inability of the MC scheme to fully reach the targeted households, since some of the more privileged households had an influence in determining which farmer gets MC, how much, for who’s benefit and so forth;
- MC in Belcheragh was sometimes placing households in a dependency position. For example, the dependency of the farmers on the MC scheme to provide fertilizers and improved seed varieties, as well as the possible dependency of women working in carpet weaving on MC the next year (since they were be able to make ends meet, pay back the MC and save enough to make their project sustainable), have easy access to the market and to carpet designs that were provided initially by the NGOs. If they lose that dependency they are at risk of returning back to borrowing from the shopkeepers or to landlords in the case of farmers;
- that some farmers and some women were unable to individually manage their credit and needed support from the NGOs or other households; hence rendering the repayment of the first year rather challenging for the local committees and the NGOs. This might increase the “risk of defaulting on repayment of both MC and informal credit” and might lead to “a stronger dependence on credit sources in future” as a cycle of debt (Andersen *et al.* 2008-a:50);
- that some farmers and some women choose not to follow the regulation and follow their own priorities by either using the credit for other entrepreneurship schemes the project did not initially intend or spend the credit on food and household necessities, resulting in tem not being able to repay the loan; and finally,
- the different strategies the shopkeepers use to devalue the produce made by the household and claiming that the use of the vertical loom does not produce as good

carpets as the traditional horizontal one. Since it was the first year for the MC in Belcheragh, it was not sure if it might place MC borrowers at risk from being barred by the shopkeepers. According to Kantor, this case might increase the insecurity of the household and disrupt long-term relations in the village (Kantor 2009).

### Insights into Power

According to Hindess, power is understood “as enhancing the capacity of those who possess it, and consequently, in so far as it impinges on other persons, as an imposition on the freedom of those persons” (Hindess 1996:96). In such a framework, power wields individuals with effects that are “assessed in terms of the difference between the real and a postulated ideal” (*ibid*:149). Hence, autonomy against effects of the more powerful is the key for individuals to become more emancipated (*ibid*). One of the bases on which the powerful in Belcheragh are able to yield their power is credit. Being in debt to the creditor goes beyond the mere financial transaction. The more privileged households control the flow of credit in the village, but they also claim social status, leadership of local organization, such as cooperatives, *Shura*, government positions, development aid staff members, etc. This situation increase the patronage of the more privileged over the vulnerable rural Afghan households and moves them away from being more autonomous. Similarly, the situation within the Afghan household in Belcheragh follows a similar hierarchy where the male members perhaps have most of the access to financial transactions and hence have a strong say regarding the decision-making over the household’s livelihood strategies, while the women are less involved in the decision-making as long as they have less access to income (Nyborg *et al.* 2008). In addition to credit, the effects of various livelihood strategies mentioned earlier, –chiefly: leasing, mortgaging and selling land, traveling to Iran in search of hard labor jobs and carpet weaving, as well as *Mahr* –strengthen this patron-client relationship structure. Although this power structure is important for the economic cycle and food security of the villages, it has a patronizing influence between and among households and strongmen in the village.

A few men I met, and a few I heard about, in Belcheragh had such power and some had incorporated their ability to exercise power within their different roles at the

village and district. Most of those strongmen were local and from the more privileged households and they included: landowners, former *Qommandan*, clergymen, village and district *Shura* members and cooperative leaders. Other men had authority but they were not from Belcheragh, mainly including government representatives and NGO directors. All had various degrees of political, economical and social influences or authority over others. Their influence was not only related to the amount of assets they had but it extended to their status in the community. Those in power are not only those with possessions and assets, but it extends to other attributes as well (Hindess 1996: 27). Good examples would be that power can be yielded by all possible strongmen, from elected *Shura* members, to clergymen, government appointed officials, households with tribal, economical or social status, hired NGO staff members, etc. However, while power could be easily described, by pointing out the main actors, at the same time it is of a fluid nature, acquiring different forms and making itself difficult to measure (Villarreal 1992 and Meagher 2009). One must there look for other ways in which power is manifested. Social networks, for example, are channels from which power is maintained (Villarreal 1992).

In the absence of a strong state, a number of activities form in the society outside the formal economic and political dynamics that are becoming increasingly difficult to conceptualize or trace empirically (Meagher 2009). These activities are associated with networks that operate independently of the state (*ibid*). A social network in Belcheragh district is a social structure made of individuals and organizations linked through friendship, kinship, profession, economic relations, etc. Within this network, some households might have contrasting or competing interests in relation to various livelihood strategies. In fact, networks could cultivate an alternative to disorder and create trust among its members. However, a more critical approach to networks would be aware that it also creates a patron-client relationship (*ibid*) between the more privileged and the vulnerable households. Andersen explains that the patron-client relationships, in the rural Afghan contexts, means that there is a commitment between a person with authority, social status, and wealth and another person who benefits from this influence; where such relationship is exploitative in nature and is perceived as socially and economically necessary by both actors (Andersen *et al.* 2008-a). Besides the more privileged Afghan

households that had the ability to yield economic power more than other households, the NGOs, in general, had some power too.

The recently introduced MC schemes established a new power structure and social network. In some cases it strengthens the already existing patron-client relationships and in few cases it establishes a new system. In fact, power relations are constantly re-created and are in interaction, and “constitute a dynamic process of wielding and yielding” (De Haan 2006:140). In order to draw out insights about the power structures and current changes due to MC scheme, I will discuss the impacts of credit systems on the household and on the village level, and the impact of local and international development aid actors on power relations.

### *7.1 Effect of credit on power at the household level*

During the past decades, two factors contributed to isolating Belcheragh from the surrounding districts. First is the effect of the terrain and the difficulties for rural areas to interact with urban ones. Secondly, the *Qommandan* that controlled the area purposely hindered households from associating with others from outside the district. Hence, Belcheragh district grew to be relatively more traditional compared to some other parts of Faryab Province. This transformation into more traditional norms have been taking place during the past 30 years of conflict, at least, and if not earlier. For example, decision-making is primarily in the hands of the male members of the household, especially when it is related to financial matters. From the discussion with both female and male interviewees, it was clear that women –in general and not including most of the widows and those that are employed –had little to say regarding financial transactions compared to the male members of the household. The only instance that female interviewees said that they are able to have a better say in financial matters was when the MC scheme was providing them with direct income. On the other hand, men were dominating the market, most of the informal credit, and most of the formal credit transactions.

Three issues contributed to strengthening male domination of the household finances and decisions; first, all the members of the cooperative were men and all the financial transaction in the market for the carpet weaving households was taking place by men. Market interactions including the purchase of input for agriculture and carpet

weaving, and then selling their harvest and carpets were exclusive for men. Even in the situation of an absence of a husband, widows sent their sons, male siblings or extended male family members to the market. Hence, men dictated which shopkeeper they wanted to sell the woven carpet to, how much they wanted to bargain for and how much profit they wanted to make. During the progress of the scheme, CHA staff asked women to purchase their own *Nerkh*, but the women replied that they prefer their husbands to do so and they were content and happy that they shared and were partners in the income of the household. Secondly, the MC increased the overall households' purchase power that could contribute for better future investment (Andersen *et al.* 2008-a). According to the female interviewees, MC also provided some cash to the women where they have spent it or would be able to spend it on the purchase of food, cloths for themselves and their children, school stationary for the children, or spend it on household's health emergency situation. Thirdly, little power sharing within the household was discovered, connected to both informal and formal credit systems. The only time financial matters were shared by both men and women was when women mentioned that MC is providing them with little income that they control and can disperse as they please. Similar to Belcheragh, Nyborg found that many women said that they didn't have a role in decision-making since they don't have a good income, but that their decision making power would increase if they too contributed to household income (Nyborg *et al.* 2008).

On the other hand, the female interviewees brought up some interesting issues concerning the carpet weaving credit scheme. According to them, the training not only provided new and important skills for some but also provide a new social network, a space for women to gather around, meet other women (from outside the village, district and province), learn together and share. They added that they felt as if these meetings empowered them more and these women expressed genuine happiness with the project. One interviewee said, "The key needed to ensure power structure in the village that would support the needy, is to increase the capacity of farmers, as well as educated the children and the women." Both projects, in fact, had started to have an impact on the livelihoods of many households. Similarly, Nyborg's research confirmed that, "the promotion of income-earning activities, particularly for women... can... improve income

levels in the households, but it also has the potential to improve the decision-making power of women” (Nyborg *et al.* 2008:26).

### *7.2 Effect of credit on power at village level*

The MC scheme provided for farmers was more in line with the current power relations rather than changing it. The head of the cooperative (at the same time head of DDA) had been the district governor for a few years at some point during the conflict years. He owned vehicles, plots of land, and other assets that set him apart from the majority of households in Sama’i. He was married to four wives and had dozens of children, where four of his sons were working in Iran and sending regular remittances. The rest of the administration board members of the cooperative were made of shopkeepers, restaurant owners, including the son-in-law of another influential man in Belcheragh.

NPO/RRAA had difficulties finalizing the list of needy farmers for the credit scheme because the board members of the cooperative insisted on including those that they wanted on the list. Most projects face the intervention of the powerful local strongmen where they direct the project towards the households that are affiliated with them (Kantor 2009), that are their family, friends or households that work for them. A final compromise was accepted by the NGO and the cooperative. During the interview, the head of the cooperative stated that a conflict broke out between members of the cooperative because of this list. CHA also faced similar challenges in formulating the list of needy members of both villages. These challenges were less of an issue in Turkmaniyeh than in Sama’i. For example, in Sama’i, the wife of one of the most known *Khod Kafa* was involved in the MC scheme and she claimed that not all the vulnerable households had been part of the project yet. In general, those households from the less privileged that were part of the scheme turned away from the leverage of the shopkeepers and more towards the NGOs and the CDC for support.

There are three explanations for why formulating a list by the NGOs was such a challenge; the first was that if they gave the funds to the poorer households with no access to irrigated land, there was a possibility that they would not be able to pay back the loan (and that would undermine both the project and the cooperative). It has been observed that in some cases MC schemes might lead in to build-up of informal debt and



the case could also be related to the continued need among some project participants to use part of the loans for consumption; eventually, as Kantor similarly explain, those participants seek credit from informal sources to pay back the MC and avoid shame (Kantor 2009). In order to avoid such situation, the NPO/RRAA and the cooperative in Belcheragh gave credit to the more privileged to avoid similar shame in collecting the MC loans. They assumed that the less privileged would either consider the loan as a grant or they genuinely could not afford to pay it back. Although the aim of the project was to target the vulnerable, the actuality of its delivery was benefiting in a great extent the more privileged households.

The second explanation was that the richer and landowning households –well connected to clergymen and the district governor –were pressuring the head of the cooperative to include them, otherwise they would have the power to stop the NGO and the projects. One NGO staff member in Belcheragh said, “the MC projects have a direct impact on development activities. Some influential families loot some of the projects but some reach the true beneficiaries and that is better than nothing. That has some positive impact on the livelihood of the villagers.”

The third explanation was that NGO staff members had to seek not only legitimacy and approval by the clergymen and others in power in the village, but also their local knowledge. The NGOs were new to the area and possessed little knowledge of the existing social networks. The clergymen and the powerful households were key to livelihood sources and organizations such as the agriculture cooperative and *Shura*. Until the NGOs could build enough knowledge and identify the needy beneficiaries, they had to ally with such *Khod Kafa* households. According to both NGOs’ staff, such was expected in the beginning of any MC project.

This acceptance of the power structure is an undeniable situation for the NGOs working in the field. For example, five out of eighteen on the cooperative’s list were from the administrative board of the cooperative and *Khod Kafa* households. The rest were poorer farmers that had access to irrigated land of the *Khod Kafa*. Richer households that were interviewed mentioned that the less privileged farmers on the list did not ask for credit after they got the MC scheme. Unfortunately, there was no more in-depth feedback from the interviewees concerning the importance of the connection

between the less privileged and the *Khod Kafa* households. However, even if the less privileged households did not ask for credit, because the MC provided it, they were in fact still working and benefiting richer households with irrigated land.

CHA's MC scheme that was targeting female household members presented some interesting findings. The effects of the MC scheme in altering the power relations were more evident in this scheme and more specifically in Turkmaniyeh village. Carpet weaving was more common there and the MC scheme played a clearer role in meddling with the power relations between the households and shopkeepers. The beneficiary households purchased *Nerkh* from the shopkeepers and did not partake in the informal credit scheme. If the reliance is to be reduced on the unfavorable power-trap-causing source of credit from the shopkeepers, then households borrowing of MC would support a positive grassroots trend in livelihood (Andersen 2008). When the carpet was woven, the men sold it as an untrimmed carpet (*Qaleen-e-Qaychi Nashodeh*) to the shopkeepers and in other villages they even sold the carpets in other towns to get a better price. At the same time, the MC scheme harbored the risk of breaking social networks, because purchasing from other shops in the village or other villages and towns, might end a long-term relationship with the initial village shopkeeper. As mentioned earlier, the shopkeepers not only provide food and other household necessities as credit but also provide other essential livelihood related credit, such as seeds and agriculture inputs. Ending informal credit relations may also mean losing future guarantors (Kantor 2009).

However, some of the households that took the carpet weaving MC were not in the traditional credit trap and control of the shopkeepers. Some shopkeepers knew about the possibility of the scheme having an indirect impact on their informal credit and stated that it was not a threat, while some did complain that they had already lost some income. The women interviewees from Turkmaniyeh mentioned that the shopkeepers had complained about the MC scheme to their husbands because the households were purchasing *Nerkh* only and not asking for the traditional credit.

### *7.3 Impact of local development aid actors on power relations*

Both NGOs were challenged during their effort in implementing the MC scheme. According to Villarreal, when development actors face challenges where it might appear

they are “losing grip, [these] are in fact signs of complexity of the dynamics taking place at the local arenas... [that] influence the outcomes of intervention practice” (Villarreal 1992:264). How the NGO tackled those challenges –for the purpose of successful implementation of the project –will impact how the MC scheme was supporting the already existing hierarchal structure and social network. At the same time, the MC scheme created a new network through its activities where some of the least privileged households had access to the MC and where the female members of the household made their own groups.

There were two examples of challenges at the village level that were generated among the following actors in the MC scheme: the NGO staff members, some of the *Khod Kafa* and village strongmen, as well as some of the households. The first example is related to how the MC scheme was distributed among the village households. It was mentioned in the previous chapters that the two MC schemes were skewed mostly towards the more privileged households and not toward the vulnerable as the project was intended. In fact, there was too much dependence on both the *Shura* of the two villages and on the cooperative to form the list of project participants. Some of the *Khod Kafa* households both within and outside the village, at both district and provincial levels, provide patronage and security at a price. The price is that they will be more involved in the decision-making, especially when it is related to development aid. According to interviews with NGO staff, there were several explanations as to why more powerful and richer individuals were involved in DDA, cooperative and or were elected in the CDCs. The list was made to include many of the *Khod Kafa* and some of the least privileged households because:

- the NGOs felt that if they did not share the project with those in power, the *Khod Kafa* would sabotage the project. “If some of the *Khod Kafa* were not involved in the project,” the NGOs added, “they had the power to stop it;”
- the *Khod Kafa* were involved in several other projects which both NGOs were implementing and if the NGO staff continuously antagonized the *Khod Kafa* over who would be able to have access to MC, that would impact the success of the other projects;

- the NGOs felt that the *Khod Kafa* households have to be the first group of project participants since they can set an example for the others;
- the *Khod Kafa* believed that they are entitled to this aid because of their position in the society;
- the *Khod Kafa* tended to exclude some of the vulnerable households either because of personal feuds or because of the least privilege households' position in the society (landless labor, widows, etc) unless those vulnerable households were working for them as waged labor;
- the *Khod Kafa* were wealthy enough to spare time to be actively involved in such affairs;
- the *Khod Kafa* were more educated, and possessed better financial, analytical and social skills. On the other hand, the poorer individuals did not have the time to spare, patience to sit and listen to a representative from these aid agencies, nor possess the necessary skills to manage such tasks; and finally,
- the *Khod Kafa* were well networked between Belcheragh and other major towns in Northern Afghanistan; some even had political contacts in Kabul.

Nyborg also found out that the sense of equity in rural Afghanistan is not the same as the framework of the development aid projects, and that there is a long way to go before “there is equitable representation in the village leadership” (Nyborg et al. 2008:34). During my interviews, I realized that it was for the interest of local strongmen to direct me towards particular households or wanted to be present during the interviews.

The second example was from Sama'i village, where two local strongmen were in a feud, although they were present in the same meeting. The situation was not clear until the interviews were over. The feud became clearer after the interviews and further discussions with NGO staff. It seems the local strongmen from Sama'i saw the CDC elections as a medium to challenge each other's power. Both were *Khod Kafa* landlords with some wealth. During the CDC elections in Sama'i the village was polarized into two. In fact, two mosques were fuelling the feud between the villagers who were supporting the first candidate and those supporting the second. The village eventually voted for the first candidate as their *Arbab*, and his supporters as members of the CDC

*Shura*. Regardless of the outcome of the power struggle, the result was that the Sama'i CDC did not live up to the expectations of villagers and NGO staff.

On the contrary, there was no conflict in the process of the Turkmaniyeh *Shura* election and it enjoyed a respectable reputation among the NGO staff. Some of Turkmaniyeh CDC *Shura* members were from the more privileged households, but they were not in accord with other powerful men in Belcheragh, who were predominantly Uzbek. Women from both villages were interested in the elections and voted for their own CDCs. However, although the influence in the decision making of the women CDCs was limited, it did play a role in preparing the list of participants for CHA MC project. This is also in accord with Nyborg findings in Dai Kundi Province (Nyborg et al. 2008). The CDC institution was still young<sup>69</sup>, and their members were yet qualified to manage their own activities. Therefore, CHA had the role of a facilitator, including calling meetings to take place, preparing necessary documents, taking minutes of the meetings and other management activities. Since it was the first time they had elections of CDC, they were faced with challenges and conflicts at the political level of the village.

#### *7.4 Impact of international development aid actors on power relations*

At the sub-national level several actors, whether administrative, appointed or elected, have unclear or overlapping responsibilities, with insufficient or uncertain resources and creating tension and confusion among each other (Oxfam 2008 and Bauck *et al.* 2007). In Belcheragh, this was also the case. Under the 'Work-for-Food Programme', for example, the DDA provided a list of priorities that represented around 40 projects, approved by the District Governor and MRRD, and then submitted to WFP. Since these projects were presented a while before the CDCs were elected, it created conflicts during the process of the application of the project activities<sup>70</sup>.

The difference with some of the other provinces researched, where the elected CDC members held the power, was because their NSP election of the *Shura* was before

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<sup>69</sup> From the three *Shuras* observed, the CDC Chairman and Secretary needed more training and capacity building in order to manage and sustain the required tasks.

<sup>70</sup> For example, while visiting the village of Takht Balouch, north of Turkmaniyeh, the CDC explained that they were not satisfied with the list of beneficiaries from the Work-for-Food Programme at their village because the *Mullah* had appointed them a while ago. The list of names from the *Mullah* contradicted with their own list of needy households that had the precedence to be in the programme.

the election of the DDA. Hence the strongmen were either elected during the first round or ran for the next rounds of election (Afflotter *et al.* 2006). In Belcheragh, the election of the DDA came first, and the power grip was mainly there. Most of the key persons and strongmen were included in the assembly and, consequently, in the DDA itself. Although it was mandatory that the CDC leaders would be the main constituent of the assembly that elects the DDA even after the CDC were elected, no re-election of the DDA was possible because of lack of funding, according to the interviewed MRRD official in Meymaneh.

The DDA appointed the project coordinator of MRRD, who was the son of the chairman of DDA. The Turkmaniyeh CDC had been to the District Governor's Office complaining that the vulnerable households have been excluded from receiving aid from WFP. The latter CDC claimed that the aid had been arriving in less quantity and had been distributed to some not so needy households belonging to the head of the DDA and his supporters.

Almost all aid agencies and organizations such as the WFP, PRT and some international NGOs operated through the same network that MRRD provided. Therefore, they had to collaborate with DDA appointed coordinators at the district level. Accordingly, they support the existing power system that favored the most influential and the most rich. During an interview with WFP and MRRD staff, they claimed to have had knowledge of CDCs complaints about aid projects, but they affiliated them to personal feuds between villagers. In general, the tendency was to blame local communities for the failure of the system and not the national policies that dictated the timing of the elections of DDA and CDC in the district of Belcheragh. When asked about the monitoring procedures for their project, the WFP staff member enclosed that he had frequent visits to the area to see the progress of the 'Work-for-Food Programme', as the only means of collecting indicators and measuring the impact of the project on the households. WFP staff member also had a head count of children under the 'School Feeding Programme' and sometimes he interviewed them randomly.

Other actors, represented by the majority of international NGOs, tended to support local NGOs working with CDCs and cooperatives; since the NGO considered them the key to the start of any development project. The staff of the latter organizations

believed the more they worked with CDCs the more they accentuated the legitimacy of the newly elected *Shura*.

In the context of credit, what is meant by power in Belcheragh? Credit provides food security and sustainable livelihood for the less privileged households while it has less relevance for the better-off. Credit provides food security and sustainable livelihood, but it comes with a patron-client relationship that traps the less privileged households to keep borrowing from the more privileged, hence creating a hieratical power structure.

Informal and formal credit systems function similarly. Each comes with its own social network and structure. The contexts within which networks take place and relate to the project have consequences for both the project management and those the project seeks to influence.

It is not only the social network that can influence MC schemes. The scheme itself can either strengthen the existing informal credit's social network and patronage system, or in some cases it can assist in transferring social and economical power from the few to the many. Such shift in power will allow the less privileged to avoid having to sell or mortgage their land, or find alternatives outside their traditional livelihood strategies, as in traveling to Iran or giving away their daughter in marriage. Some participants in the MC improved their livelihoods, reduced their dependency from credit (at least during summer 2008), increased their purchase power and started to create their own social networks.

There are challenges for the locally elected institutions in Belcheragh, such as the CDCs and the DDA to genuinely work for better devolution of power, away from a power structure that might not be very accountable towards the village households. Local NGOs and international agencies that also plan projects with CDCs and DDA will need to consider similar obstacles, increase their awareness of the social networks that credit systems create and consequently avoid strengthening exploitative power structures.

### Conclusions

The less privileged households in Belcheragh District are still challenged in achieving food security and gaining access to sustainable well-established and regulated financial institutions. These households have little alternatives but to depend on their social networks that provide access to informal and formal credit. Sometimes these networks can be exploitative in nature, only serving the more privileged households, while at other times they form new networks that may provide new opportunities. This study examined some of the livelihood strategies, life-cycle activities, credit systems and power networks in Belcheragh District during summer 2008 to learn more about how they are linked and interrelated, as well as how they are changing in the face of the political, social and economic changes taking place in Afghanistan.

Credit systems have been deeply institutionalized in the political, social and economic aspects of rural Afghanistan. Those that are powerful in all three aspects can influence livelihoods of a great number of rural men and women. The access of the more privileged households to land and credit also allows them to have a say in who gets what in the village. Their influence does not end with the traditional system of informal credit, but the power is extending into the formal credit system. In order to understand livelihood strategies and their link to credit and power, this paper has been divided into several chapters.

Chapter three elaborated on the geopolitical influences that shape Afghanistan, the past decades of conflicts, as well as the cultural, traditional and tribal mindset of the Afghans that outlines the nature of their state, the hierarchal social system and the challenges of development aid. The remainder of the chapter introduced the study area; where the reader becomes acquainted with Faryab Province and Belcheragh district, describe the history of the area, as well as the economic, educational and health conditions. Some information was also disclosed about the different wealth groups of the



two villages, some of the main development aid actors and local actors involved in the district, which contributed to the livelihood of households, apart from the traditional sources of income and credit. What is pertinent about the changes during the past decades of conflict in Afghanistan, and particularly in the study area, is first the trend towards more traditional and conservative norms are affecting the decision making at the household level where male members of the household have more access to financial transactions on one hand and the village level at the other, where hierarchal social networks thrive. Secondly, the trend in Belcheragh District is strengthening the exploitative form of credit system. With the coming of development aid to the district, there have been further changes in the political, social and economic context where new networks are providing a patron-client relationship that in some cases continues to strengthen the exploitative nature, but in some cases forms a space for households, and women in particular, more autonomy from the hierarchal power.

In the following chapters, I aimed to unknot some of the data about the common livelihood strategies and link them to the existing social network and power relations. In Belcheragh District the main livelihood strategies are agricultural production, shops, carpet weaving, remittance, farm and off-farm labor and other businesses. They contribute to household income and they are all related, in some way, to how much credit a household can lend and borrow. Afghans lend and borrow credit across wealth groups. However, credit is more important for the most vulnerable households in Belcheragh since they are dependent on some low value loans to make end meets, such as: shopkeepers' credit, loans for agriculture inputs, and other similar credit schemes. These strategies depend on a certain type of credit that the households borrow from each other between same wealth groups, or not, and with or without *Sood*.

However, sources of income are limited. Because of the drought, agriculture harvest is not enough, hence rural Afghans search for alternatives such as off-farm labor or a journey to Iran (that is also coupled with hard labor) as a means to repay debt and compensate for lack of income. To a certain extent, remittances are one of the necessary and common means for debt payment among households in Belcheragh District and hence contribute more towards debt relieving than other livelihood strategies. For the *Khod Kafa* households, remittances contribute towards both debt relieving as well as an

additional source of income used for more investment in livelihood strategies. In situations where they are not able to pay their debts, vulnerable households will refer to extreme measures, such as mortgaging land, selling land, falling in the shopkeepers' carpet weaving debt-cycle, or giving away their daughters in marriage. Marriage can be either debt relieving or debt aggravating.

*Mahr* was one of the main reasons, besides lack of livelihood income, for a household to be in debt. The marriage institution serves to perpetuate the social networks in Belcheragh through allowing the men to be the decision makers and initiating a credit cycle that the groom's family has to pay. The need for a man to marry ascertains the need to borrow enough to establish a family, and in some instances would mean the need for remittances. In extreme situations, the groom's family has to mortgage or sell land, or other assets, or give away a daughter in marriage. For the very vulnerable households, charity is a common source of income, which helps out in times of need. In such cases, they are at the mercy of households that are providing high value credit. More privileged households can exert certain power over others that need their credit and are placed at the top of the social and economic pyramid. This power is not limited to informal credit, but extends to the formal type of credit. All sources of income reinforce the power structure where the more influential and wealthy households strengthen their positions.

Many factors are negatively affecting the vulnerable households in Belcheragh and forcing them into more debt. The recurrent drought is the major cause, in addition to the increase food and fuel prices, difficulty in accessing health facilities, and to a lesser extent, sending children for secondary education, and paying for burial ceremony expenses. Meanwhile, those who seize the political, social and economic power at the village and district levels become stronger, as the vulnerable become more needy. Drought, for example, is affecting the wheat yield from rain-fed land. Since the poorest of the wealth groups depend on rain-fed land, they are becoming more vulnerable. Hence they run the risk of losing a lot, in some cases their only asset, land. From the perspective of some of the interviewees, if households were at risk of losing their land to someone from outside the family and condemning the rest of the family members to stay in poverty for generations, would it not be easier to find a groom for their young daughter? Here there is a hope that her *Mahr* will prevent the family from giving away

precious assets like land, which has been traditionally handed over from father to son, feed the rest of the family and perhaps cancel some of their debt with the shopkeepers.

Credit provides food security and sustainable livelihoods for some of the less privileged households, while it provides a patron-client relationship which the more privileged exert on the less privileged households. As in the informal credit, MC schemes draw a similar but parallel social network, which includes NGO staff, community leaders and other more privileged households. They use their power to decide who and how much other households can have access to credit. On the other hand, the less privileged households are in a dependency position on the MC and are in a power trap where they might need the NGOs to provide MC to sustain their livelihoods. However, in the case of MC in Belcheragh District, the scheme is either strengthening the existing social network and power structure or helping in the transfer of social and economical power from the few to the many. Thus, assumptions, that the formal credit schemes mostly assist the less privileged households and secure their livelihoods, are flawed. If enough attention is not given to power structures and their influence, development projects can fall into a condition where they favor the more privileged households.

Nevertheless, development aid can play a role in ensuring that the aid project was not only in favor of more privileged households. This might take the form of assisting the less privileged in avoiding to sell or mortgage land, avoiding to seek work in Iran or avoiding to give away their daughters in marriage. Moreover, development aid can create space for households to seek their own social networks that is not exploitative where they can make decisions about their livelihood. For example, when some households obtained MC, they were able to harvest enough wheat and not depend on credit from the more privileged, or when household weaved their own carpets and sold it in markets outside the village. Development aid can also create space within the household. The carpet weaving MC scheme, for example, has provided female members of the household with income where they said it helped them more in the households' decision-making process. They even created their own social network, which provided an opportunity for them to meet on a regular basis. However, as described earlier, the changes that development projects have started to introduce in Belcheragh District have

created a new political, social and economic context. It would be premature to predict the outcome of these changes, whether they will be disrupting the current social network or not. However, there have been some hints. For example, shopkeepers started to complain that households are not taking credit, but buying *Nerkh* instead and weaving their own carpet. Previous research warns that MC can risk damaging the role shopkeepers have with households in consumption smoothing. But whether this example would lead to some conflict between households and shopkeepers is yet to be seen.

MC projects had many challenges, and it is important to draw lessons from the context of each district where the project has been implemented. The main challenges from Belcheragh were that the strongmen had some influence on the list of MC beneficiaries, not all the vulnerable in the village were on that list, the scheme produced a dependency among some households to either ask for more MC or seek informal credit to payback the MC, and finally, some of the shopkeepers that were affected by the introduction of the scheme had an interest in devaluing the end product of the MC scheme (that is carpets) and hence increasing the risk of disrupting long-term relations among village members.

A few insights about the formal credit systems was that the Afghans were associating it more with the social network and power that it created rather than being concerned with where it was coming from, for example, if it was coming from the landlord, shopkeepers or NGOs. The other insight was that MC was used mainly for investment in livelihood strategies, rather than for consumption purposes. The last insight about MC was related to how informal and formal credit systems are intertwined and how social networks play a role in shaping the scheme's outcome. For example, in the MC scheme some of the more privileged households joined the project because of their status in the village and consequently decided who and how much other households can have access to credit; some of which belonged to their network and not necessarily to the new network the NGOs created. Formal credit systems also come with their own social networks that consist of NGO staff, community leaders and other privileged households, in addition to a list of households that could be vulnerable and needy, but in some cases they are not so vulnerable in comparison to some households. Therefore NGOs provide a parallel power relation to the one seen in the informal credit.

In conclusion, Afghan's livelihood strategies need to be clearer for development aid actors in order to avoid situations where the more privileged households place the less privileged under patron-client relationship. Local organizations, whether they are CDCs, DDA or NGOs, as well as international agencies, have a challenge to increase their understanding of the social networks that the informal and formal credit systems create. By understanding them, they will avoid projects that might strengthen exploitative power structures. A reassessment of project components would locate and then opt to focus on aspects of the project that are successful in moving vulnerable households away from this exploitative structure, more significantly, project aspects that help in creating autonomous spaces across wealth groups and gender.

Finally, a more sensitive and reflective approach to the needs of rural communities could help development aid actors to better understand social networks where power and hierarchy play a role in credit and livelihood strategies. By giving more attention to credit systems, development aid actors would be able to monitor the distribution of their funds that improve their own MC schemes –a knowledge that would help future program designs –and other activities related to food security in Afghanistan.

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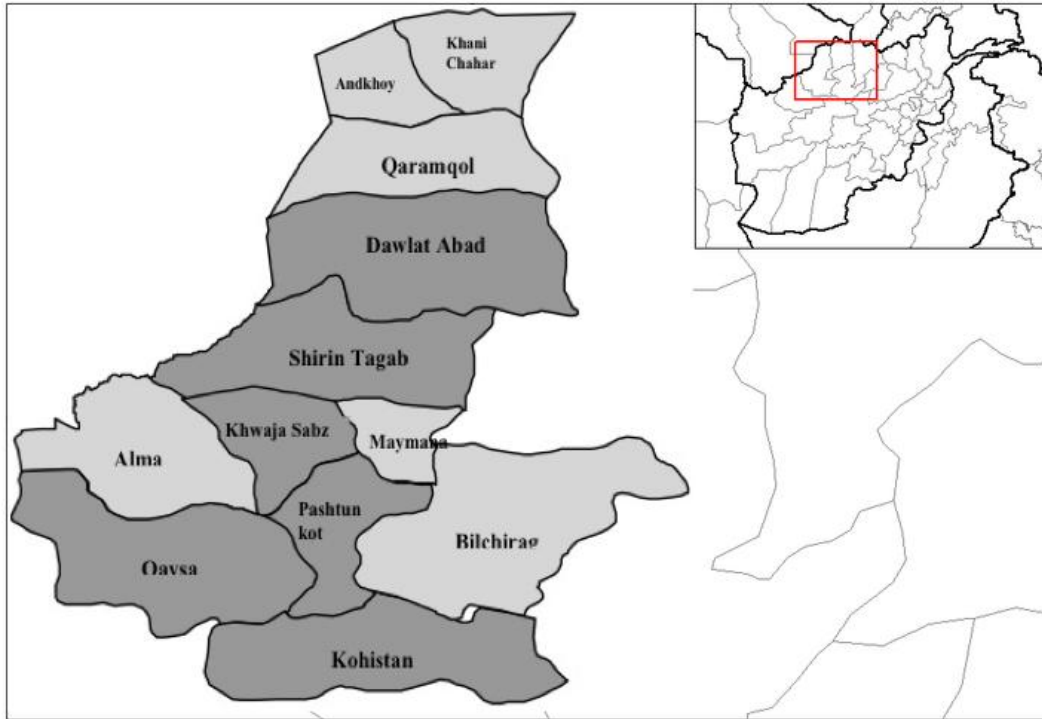
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## Appendixes

Map 1. Map of the twelve<sup>71</sup> districts of Faryab Province, Afghanistan (ANDS 2007):



<sup>71</sup> Note that the districts of Gurziwan and Belcheragh were not divided in this map since this map was prepared before 2005.

**Table 1.** Population, household and gender division of villages surveyed by CHA<sup>72</sup>:

Village	Households	Population	Gender Division	
			Male	Female
1 Noe Abad Neshar	265	1 590	763	827
2 Neshar Kelan	271	1 626	780	846
3 Neshar Tapeh	204	1 224	587	637
4 Qush Ghzar	196	1 176	564	612
5 Charamghar	162	972	467	505
6 Khsht Poll	160	960	460	500
7 Sharm Qshlaq	225	1 350	662	688
8 Sama'i	200	1 200	576	624
9 Srowlea	267	1 602	769	833
10 Kingh Qull	230	1 380	663	717
11 Khalifeh Sahib Mirza'i	240	1 440	691	749
12 Anjeerak	303	1 818	873	945
13 Turkmaniyeh	220	1 320	634	686
14 Pulak Qshlaq	300	1 800	864	936
15 Khaniqa Toghlamast	320	1 920	922	998
16 Toghlamast	300	1 800	864	936
17 Neo Abad Toghlamast	301	1 806	867	939
18 Khajeh Abdullah	228	1 368	657	711
19 Tayeb Abad	269	1 614	775	839
20 Aziz Abad	279	1 674	804	870
21 Halqani	234	1 404	674	730
22 Khalifeh Sahib Kawlian	298	1 788	858	930
23 Eid Ghah	266	1 596	766	830
24 Moa'zen Abad	265	1 590	763	827
25 Mulla Rajab	209	1 254	601	653
26 Archtu Payan	220	1 320	634	686
27 Archtu Bala	241	1 446	694	752
28 Tash Qaleh Payan	280	1 680	806	874
29 Tash Qaleh Bala	288	1 728	829	899
30 Neo Abad Tash Qaleh	254	1 524	732	792
31 Neo Abad Kohneh Khayre	324	1 944	933	1 011
32 Zyqal Qurchi	313	1 878	901	977
33 Sahrabi Qurchi	309	1 854	890	964
34 Markaz Qurchi	290	1 740	835	905
35 Qurchaq	280	1 680	806	874
36 Tash Qaleh Qurchi	255	1 530	734	796
37 Haji Ata'u'llah	148	888	426	462
38 Chehel Chiraq	249	1 494	717	777
39 Takht Balouch	279	1 673	803	870
40 Neo Abad Archotu	263	1 578	821	757
<i>Sum</i>	10 205	61 229	29 465	31 764
<i>Average</i>	255	1 531	737	794
<i>Percentage</i>			48%	52%

<sup>72</sup> Survey took place autumn 2007

Table 2. Ethnic distribution of villages surveyed by CHA <sup>73</sup>:

Village	Ethnic Distribution per Village			
	Uzbek	Turkmen	Tajik	Pashto
1 Noe Abad Neshar	0	0	260	5
2 Neshar Kelan	271	0	0	0
3 Neshar Tapeh	203	0	1	0
4 Qush Ghzar	196	0	0	0
5 Charamghar	162	0	0	0
6 Khsht Poll	160	0	0	0
7 Sharm Qshlaq	220	0	5	0
8 Sama'i	200	0	0	0
9 Srowlea	267	0	0	0
10 Kingh Qull	230	0	0	0
11 Khalifeh Sahib Mirza'i	240	0	0	0
12 Anjeerak	303	0	0	0
13 Turkmaniyeh	0	220	0	0
14 Pulak Qshlaq	300	0	0	0
15 Khaniqa Toghlamast	320	0	0	0
16 Toghlamast	300	0	0	0
17 Neo Abad Toghlamast	301	0	0	0
18 Khajeh Abdullah	0	0	228	0
19 Tayeb Abad	27	0	242	0
20 Aziz Abad	5	0	274	0
21 Halqani	12	0	222	0
22 Khalifeh Sahib Kawlian	0	0	298	0
23 Eid Ghah	0	0	266	0
24 Moa'zen Abad	120	0	145	0
25 Mulla Rajab	0	0	209	0
26 Archtu Payan	0	0	220	0
27 Archtu Bala	0	0	241	0
28 Tash Qaleh Payan	0	0	280	0
29 Tash Qaleh Bala	0	0	288	0
30 Neo Abad Tash Qaleh	0	0	254	0
31 Neo Abad Kohneh Khayre	0	0	324	0
32 Zyqal Qurchi	0	0	313	0
33 Sahrabi Qurchi	0	0	309	0
34 Markaz Qurchi	0	0	290	0
35 Qurchaq	0	0	280	0
36 Tash Qaleh Qurchi	0	0	255	0
37 Haji Ata'u'llah	148	0	0	0
38 Chehel Chiraq	248	0	0	1
39 Takht Balouch	270	9	0	0
40 Neo Abad Archotu	0	0	263	0
<i>Sum</i>	4503	229	5467	6

<sup>73</sup> Survey took place autumn 2007

Table 3. Distance to vital services for villages surveyed by CHA<sup>74</sup>.

Village	Distance to Services (in Kilometres)				
	Clinic	Highway	Next village	Governor <sup>75</sup>	Capital <sup>76</sup>
1 Noe Abad Neshar	17	1	1	14	38
2 Neshar Kelan	17	1	1	17	38
3 Neshar Tapeh	15	2	2	15	40
4 Qush Ghzar	10	1	1	10	45
5 Charamghar	4	1	2	4	54
6 Khsht Poll	3	0	2	3	52
7 Sharm Qshlaq	1	0	1	1	56
8 Sama'i	1	1	1	1	56
9 Srowlea	2	0	1	5	60
10 Kingh Qull	6	0	1	4	61
11 Khalifeh Sahib Mirza'i	2	3	1	2	57
12 Anjeerak	3	3	1	3	58
13 Turkmaniyeh	1	1	1	1	55
14 Pulak Qshlaq	5	1	0	5	60
15 Khaniqa Toghlamast	6	1	1	6	61
16 Toghlamast	6	1	1	6	61
17 Neo Abad Toghlamast	7	1	1	7	62
18 Khajeh Abdullah	13	0	2	13	68
19 Tayeb Abad	14	1	1	14	69
20 Aziz Abad	15	1	1	15	70
21 Halqani	15	1	1	15	70
22 Khalifeh Sahib Kawlian	18	0	0	18	73
23 Eid Ghah	19	0	0	19	73
24 Moa'zen Abad	19	0	1	19	74
25 Mulla Rajab	18	1	0	18	73
26 Archtu Payan	10	0	1	30	85
27 Archtu Bala	27	1	2	27	82
28 Tash Qaleh Payan	34	6	1	40	95
29 Tash Qaleh Bala	5	1	1	30	85
30 Neo Abad Tash Qaleh	5	1	1	29	84
31 Neo Abad Kohneh Khayre	2	1	1	33	88
32 Zyqal Qurchi	1	1	1	35	90
33 Sahrabi Qurchi	1	1	1	44	96
34 Markaz Qurchi	1	1	1	44	94
35 Qurchaq	1	1	1	44	94
36 Tash Qaleh Qurchi	1	1	1	44	94
37 Haji Ata'u'llah	3	2	1	1	55
38 Chehel Chiraq	1	0	1	2	53
39 Takht Balouch	2	1	1	2	57
40 Neo Abad Archotu	10	3	3	30	85
<i>Sum</i>	340	35	35	667	2720
<i>Average</i>	8	1	1	17	68

<sup>74</sup> Survey took place autumn 2007

<sup>75</sup> Governor Office

<sup>76</sup> Province Capital, Meymaneh

**Table 4.** Number of students, teachers and clergymen at the villages surveyed by CHA<sup>77</sup>:

Village	Students		Teachers		Clergymen
	Male	Female	Male	Female	
1 Noe Abad Neshar	35	80	2	0	3
2 Neshar Kelan	80	50	8	1	2
3 Neshar Tapeh	95	60	8	1	1
4 Qush Ghzar	0	0	2	0	1
5 Charamghar	85	127	1	0	2
6 Khsht Poll	85	126	1	0	7
7 Sharm Qshlaq	68	49	12	2	13
8 Sama'i	185	151	4	0	12
9 Srowlea	125	58	2	0	6
10 Kingh Qull	147	97	3	0	10
11 Khalifeh Sahib Mirza'i	0	0	0	0	0
12 Anjeerak	60	70	3	0	4
13 Turkmaniyeh	230	170	5	1	15
14 Pulak Qshlaq	186	66	5	1	21
15 Khaniqa Toghlamast	111	86	1	0	32
16 Toghlamast	202	101	4	0	57
17 Neo Abad Toghlamast	150	120	2	0	70
18 Khajeh Abdullah	37	30	0	0	4
19 Tayeb Abad	90	50	2	0	9
20 Aziz Abad	106	57	5	0	5
21 Halqani	79	43	4	0	6
22 Khalifeh Sahib Kawlian	60	40	4	1	11
23 Eid Ghah	60	40	4	2	11
24 Moa'zen Abad	80	30	1	1	10
25 Mulla Rajab	60	20	2	0	12
26 Archtu Payan	105	257	1	1	10
27 Archtu Bala	244	131	1	0	15
28 Tash Qaleh Payan	207	102	3	0	16
29 Tash Qaleh Bala	202	125	2	1	0
30 Neo Abad Tash Qaleh	175	76	2	0	0
31 Neo Abad Kohneh Khayre	201	130	4	0	16
32 Zyqal Qurchi	216	137	3	0	6
33 Sahrabi Qurchi	92	62	1	0	10
34 Markaz Qurchi	62	93	1	0	7
35 Qurchaq	60	81	1	1	0
36 Tash Qaleh Qurchi	62	50	1	0	0
37 Haji Ata'u'llah	95	64	2	0	12
38 Chehel Chiraq	167	251	1	0	17
39 Takht Balouch	435	250	4	2	13
40 Neo Abad Archotu	220	221	4	0	11
<i>Sum</i>	4959	3751	116	15	457
<i>Average</i>	124	94	3	<i>Less than 1</i>	11

<sup>77</sup> Survey took place autumn 2007

**Table 5.** Persons with disability, widows and number of literate individuals at the villages surveyed by CHA<sup>78</sup>:

Village	Households w/ Special Conditions		Literacy	
	Disabled	Widows	Male	Female
1 Noe Abad Neshar	20	9	2	3
2 Neshar Kelan	5	15	8	1
3 Neshar Tapeh	6	9	8	1
4 Qush Ghzar	10	8	2	0
5 Charamghar	15	15	7	0
6 Khsht Poll	10	9	4	1
7 Sharm Qshlaq	6	15	2	2
8 Sama'i	8	10	4	2
9 Srowlea	8	16	2	0
10 Kingh Qull	3	5	3	0
11 Khalifeh Sahib Mirza'i	2	21	0	0
12 Anjeerak	0	48	5	0
13 Turkmaniyeh	14	32	30	15
14 Pulak Qshlaq	13	22	42	1
15 Khaniqa Toghlamast	16	35	54	0
16 Toghlamast	10	22	30	0
17 Neo Abad Toghlamast	10	31	40	1
18 Khajeh Abdullah	3	18	4	3
19 Tayeb Abad	3	3	2	16
20 Aziz Abad	6	12	55	0
21 Halqani	5	13	12	1
22 Khalifeh Sahib Kawlian	14	23	40	15
23 Eid Ghah	5	8	55	13
24 Moa'zen Abad	14	30	13	0
25 Mulla Rajab	5	23	20	0
26 Archtu Payan	13	9	1	0
27 Archtu Bala	20	15	4	0
28 Tash Qaleh Payan	12	7	3	0
29 Tash Qaleh Bala	2	15	2	1
30 Neo Abad Tash Qaleh	1	12	7	0
31 Neo Abad Kohneh Khayre	1	17	4	0
32 Zyqal Qurchi	8	25	11	0
33 Sahrabi Qurchi	20	25	7	1
34 Markaz Qurchi	20	26	11	0
35 Qurchaq	12	12	4	0
36 Tash Qaleh Qurchi	25	22	5	0
37 Haji Ata'u'llah	4	8	12	0
38 Chehel Chiraq	2	24	6	0
39 Takht Balouch	4	28	4	1
40 Neo Abad Archotu	18	25	4	0
<i>Sum</i>	373	722	529	78
<i>Average</i>	9	18	13	2

<sup>78</sup> Survey took place autumn 2007

Table 6. Number of households owning livestock in villages surveyed by CHA<sup>79</sup>:

Village	Households	Livestock			
		Sheep/Goat	Cow	Horse	Donkey
1 Noe Abad Neshar	30	50	20	0	100
2 Neshar Kelan	10	600	20	3	100
3 Neshar Tapeh	15	0	20	4	60
4 Qush Ghzar	20	0	30	0	60
5 Charamghar	0	0	25	0	50
6 Khsht Poll	16	0	20	0	40
7 Sharm Qshlaq	30	500	60	3	85
8 Sama'i	21	450	45	4	160
9 Srowlea	34	500	40	20	18
10 Kingh Qull	20	300	50	10	120
11 Khalifeh Sahib Mirza'i	40	600	50	2	68
12 Anjeerak	5	540	33	3	47
13 Turkmaniyeh	10	600	50	6	34
14 Pulak Qshlaq	65	320	26	21	200
15 Khaniqa Toghlamast	18	220	20	2	300
16 Toghlamast	20	192	20	2	280
17 Neo Abad Toghlamast	10	290	21	5	100
18 Khajeh Abdullah	30	200	40	15	100
19 Tayeb Abad	10	47	50	20	150
20 Aziz Abad	20	400	50	85	280
21 Halqani	25	502	300	40	234
22 Khalifeh Sahib Kawlian	50	500	55	10	50
23 Eid Ghah	35	1 000	85	8	100
24 Moa'zen Abad	30	600	200	15	100
25 Mulla Rajab	16	400	150	20	80
26 Archtu Payan	35	500	100	33	200
27 Archtu Bala	30	200	120	50	150
28 Tash Qaleh Payan	40	250	150	50	25
29 Tash Qaleh Bala	26	700	0	16	115
30 Neo Abad Tash Qaleh	37	500	0	9	94
31 Neo Abad Kohneh Khayre	45	300	25	16	142
32 Zyqal Qurchi	43	450	55	21	119
33 Sahrabi Qurchi	9	1 400	130	200	800
34 Markaz Qurchi	5	2 000	300	200	600
35 Qurchaq	4	800	120	100	200
36 Tash Qaleh Qurchi	40	1 600	150	200	300
37 Haji Ata'u'llah	0	0	24	3	100
38 Chehel Chiraq	0	0	55	5	100
39 Takht Balouch	10	550	60	4	196
40 Neo Abad Archotu	5	300	200	40	300
<i>Sum</i>	909	18 361	2 969	1 245	6 357
<i>Average</i>	23	459	74	31	159

<sup>79</sup> Survey took place autumn 2007



**Table 7.** Percentage of agriculture land and number of household with access to the land at the villages surveyed by CHA<sup>80</sup>:

Village	Cultivated Land (%)		Landowners	
	Rain Fed	Irrigated	Households	Percent
1 Noe Abad Neshar	60%	40%	25	9%
2 Neshar Kelan	39%	61%	80	30%
3 Neshar Tapeh	54%	46%	30	15%
4 Qush Ghzar	84%	16%	20	10%
5 Charamghar	90%	10%	15	9%
6 Khsht Poll	11%	89%	28	18%
7 Sharm Qshlaq	18%	82%	35	16%
8 Sama'i	30%	70%	53	27%
9 Srowlea	25%	75%	36	13%
10 Kingh Qull	13%	87%	72	31%
11 Khalifeh Sahib Mirza'i	4%	96%	60	25%
12 Anjeerak	17%	83%	35	12%
13 Turkmaniyeh	7%	93%	25	11%
14 Pulak Qshlaq	63%	38%	72	24%
15 Khaniqa Toghlamast	23%	77%	52	16%
16 Toghlamast	6%	94%	32	11%
17 Neo Abad Toghlamast	17%	83%	62	21%
18 Khajeh Abdullah	21%	79%	80	35%
19 Tayeb Abad	17%	83%	52	19%
20 Aziz Abad	20%	80%	102	37%
21 Halqani	17%	83%	48	21%
22 Khalifeh Sahib Kawlian	N/A	N/A	200	67%
23 Eid Ghah	N/A	N/A	230	86%
24 Moa'zen Abad	N/A	N/A	120	45%
25 Mulla Rajab	N/A	N/A	80	38%
26 Archtu Payan	14%	86%	40	18%
27 Archtu Bala	N/A	N/A	30	12%
28 Tash Qaleh Payan	N/A	N/A	40	14%
29 Tash Qaleh Bala	25%	75%	53	18%
30 Neo Abad Tash Qaleh	16%	84%	77	30%
31 Neo Abad Kohneh Khayre	17%	83%	121	37%
32 Zyqal Qurchi	14%	86%	74	24%
33 Sahrabi Qurchi	13%	87%	50	16%
34 Markaz Qurchi	7%	93%	51	18%
35 Qurchaq	13%	87%	30	11%
36 Tash Qaleh Qurchi	5%	95%	40	16%
37 Haji Ata'u'llah	24%	76%	50	34%
38 Chehel Chiraq	4%	96%	20	8%
39 Takht Balouch	31%	69%	48	17%
40 Neo Abad Archotu	N/A	N/A	40	15%
<i>Sum</i>			2408	
<i>Average</i>			60	
<i>Percent</i>	25%	75%	/	24%

<sup>80</sup> Survey took place autumn 2007

**Table 8.** Number of interviews, date and number of attendees during the interviews as well as the gender of the interviewees:

Interview Number	Date (2008)	Number of attendees	Gender
1	11 June	2	Male
2	11 June	1	Male
3	12 June	1	Male
4	12 June	1	Male
5	16 June	1	Male
6	16 June	3	Male
7	16 June	1	Male
8	17 June	1	Male
9	17 June	3	Male
10	19 June	1	Male
11	22 June	1	Male
12	23 June	1	Male
13	23 June	1	Male
14	23 June	1	Male
15	24 June	2	Female
16	24 June	2	Male
17	24 June	1	Male
18	25 June	2	Female
19	25 June	2	Male
20	25 June	2	Male
21	26 June	2	Male
22	30 June	8	Male
23	30 June	2	Female
24	3 July	1	Male
25	8 July	2	Male
26	8 July	2	Male
27	9 July	1	Male
28	13 July	1	Male
29	14 July	1	Male
30	19 July	1	Male
31	22 July	6	Female
32	22 July	4	Female
33	23 July	7	Male
34	28 July	1	Male
		<i>Total:</i> 69	

**Table 9.** Research objectives and questions that were developed in the field during the interviews:

Objectives	Keywords	Research Questions
<p>a. Explore the various credit systems (previous and current) and livelihood activities;</p>	<p>Sources of debt, Informal Credit, Formal Credit, Livelihood, Marriage, Charity, Burial,</p>	<ol style="list-style-type: none"> <li>1. What types of informal credit existed/exist in your village? Neighboring villages?</li> <li>2. Can you explain briefly the history of the village, sources of livelihood, sources of income including remittance from family outside of the province? How much does the remittance contribute to household livelihood?</li> <li>3. How much does the dowry for marriage affects the household in your village? How much debt and or income?</li> <li>4. How much does the traditional burial ceremony and social obligation affect the livelihood of the household in your village?</li> <li>5. Are you in debt? How much? Which type? Which debts do you usually use? Do you pay them back?</li> <li>6. Do you give credit? Which type? How much?</li> <li>7. Are widows able to get hold of credit? Which type? How much?</li> <li>8. Do you pay Zakat (Islamic tax) and Khairat (charity)? Which households get that? How much?</li> <li>9. For getting credit, to whom do you go first: family member, friend, a fellow village member, shopkeepers, tribe, friends outside the village, credit shops in towns, banks, influential people in the city?</li> <li>10. How many in the village are able to give credit currently? Is it possible for someone not to pay his loan? What happens then?</li> <li>11. Do people borrow or lend credit from outside the village? From where are they? Which type? What connection do they have to the village?</li> <li>12. Is mortgage common in the village? Which type and who mortgages his land and to whom?</li> </ol>
<p>b. Explore effects of changes in social, economical and political situation on livelihood and credit;</p>	<p>Price Increase, Credit Change, Impact on Livelihood, Drought, Wheat, Opium,</p>	<ol style="list-style-type: none"> <li>13. Did the cultivation of opium increase or decrease the quantity of borrowed money, food, mortgage and other types of informal credit transaction?</li> <li>14. In your opinion, would the cultivation of opium return if the drought and poverty keeps continuing?</li> <li>15. Did the interest rate on credit change (was more or less in comparison) during the cultivation of opium? Before the increase of price of fuel and food (mainly wheat)? Before the drought? Before the revolution (during the 70s)?</li> </ol>
<p>c. Understand social diversity, vulnerability and power; and</p>	<p>Micro-credit,</p>	<ol style="list-style-type: none"> <li>16. What effects does micro-credit have on your livelihood?</li> <li>17. What effects besides the financial benefits do you estimate there is for being part in the micro-credit scheme?</li> <li>18. How do you compare micro-credit with other informal sources of credit?</li> <li>19. What values does the wheat/fertilizer/cash have (i.e. besides their monetary values)?</li> </ol>

Objectives	Keywords	Research Questions
<p>d. Evaluate the role of different types and sources of credit in the livelihood of households, in terms of wealth, gender and power relations within a village.</p>	<p><i>Shura</i>, Power Relations (at village level and at district level), <i>Arbab</i>.</p>	<ol style="list-style-type: none"> <li>20. What kind of relationship can you see between formal and informal credit systems? How does that relationship affect your livelihood?</li> <li>21. How much income do you expect from the micro-credit in the future? Compared to previous source of income, such as farming or carpet weaving?</li> <li>22. How do you think micro-credit has any effects on the livelihoods of others in the village?</li> <li>23. How come you were part of the micro-credit scheme?</li> <li>24. How did you elect the CDC <i>Shura</i> members, the <i>Arbabs</i>? Are they involved in the micro-credit scheme?</li> <li>25. Do you know of other source of micro-credit? For weaving? For farming?</li> <li>26. Do you have family members in Iran? Other place? Do they send you money? How much? Why are they there?</li> <li>27. Do you get help from other sources? WFP? Others?</li> <li>28. Do you send your kids to school? Which grades? Both boys and girls?</li> <li>29. How do you assess the health situation of your household or your village?</li> </ol>

Figure 1. Demographic Distribution of the population in the villages surveyed by CHA<sup>81</sup>:

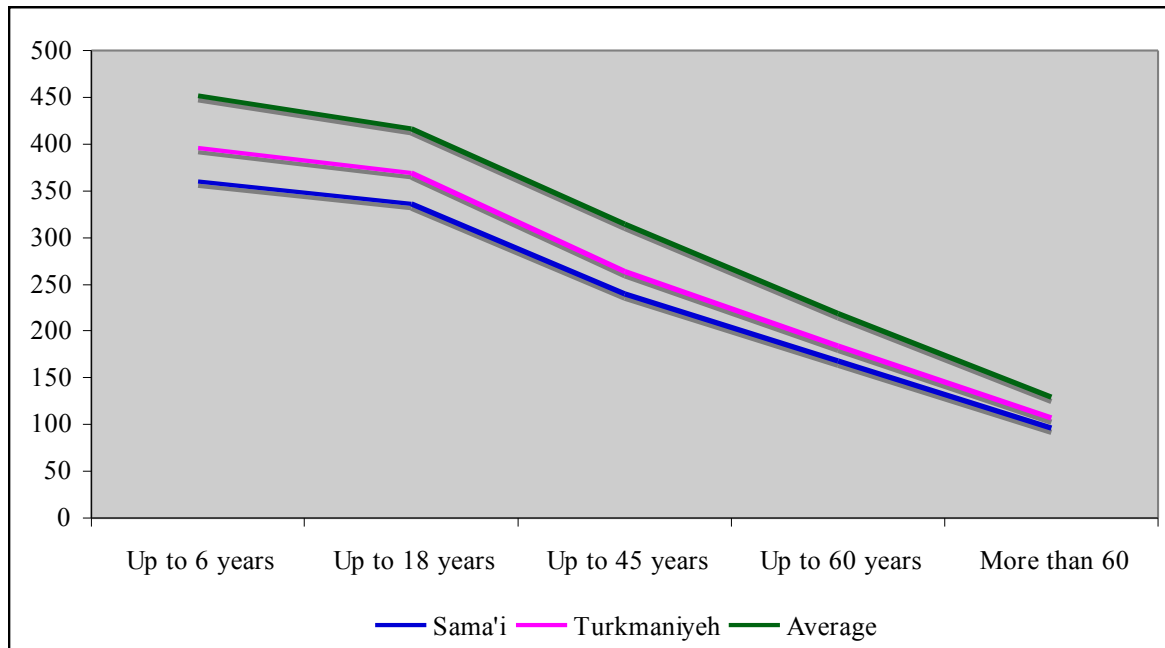
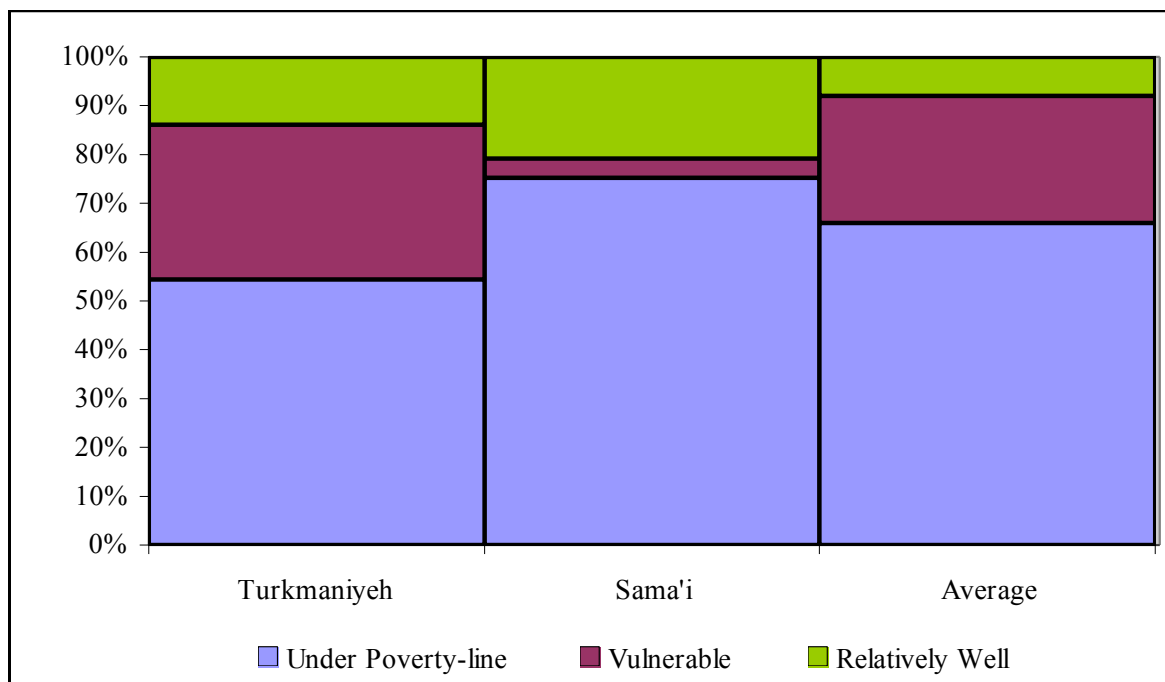


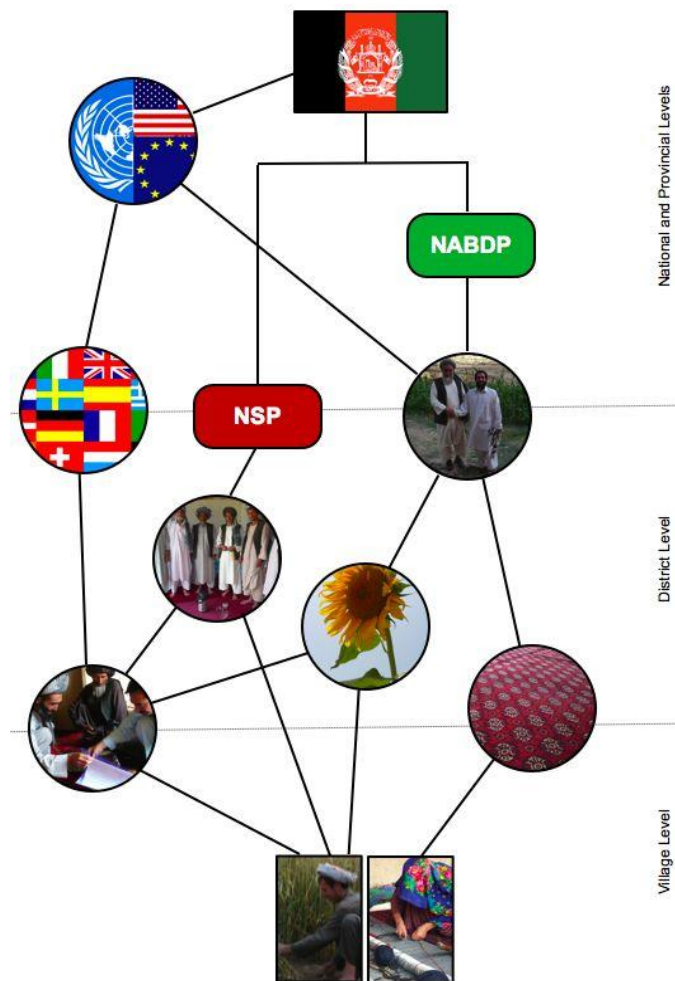
Figure 2. Percentage of household economical condition (under poverty line, vulnerable and relatively well) in the villages surveyed by CHA<sup>82</sup>:



<sup>81</sup> Survey took place autumn 2007

<sup>82</sup> Survey took place autumn 2007

Figure 3. Organogram of different actors at the national and provincial levels, district level and village level:



Picture 1.

An elderly woman with her young chaperon on a donkey.



Picture 2.

On the road to  
Belcheragh  
District we  
saw arid  
landscape  
around us and  
some goats.





Picture 3.

One of the many villages in Belcheragh and close to Sama'i village.



Picture 4.

Members from Sama'i villages with *Arbab* of Sama'i *Shura*, Mr. Qari Obeid'u'llah, sitting on my right.



Picture 5.

NPO/RRAA  
staff members  
discussing the  
wheat in *Abi*  
land belonging  
to MC project.



Picture 6.

*Nirkh* for  
carpet weaving  
at a shop in  
Belcheragh.



Picture 7.

*Shura* of Takht Balouch discussing and approving of upcoming projects with CHA.



Picture 8.

Parts of  
Kawlian  
Village.



Picture 9.

Head of the committee for carpet weaving and tailoring at Toghlamast showing some of their product in their small shop.



Picture 10.

Carpet weaving on the common horizontal loom.





Picture 11.

The newly introduced vertical carpet weaving loom by CHA.



Picture 12.

With *Shura* members of Turkmaniyeh and *Arabab*, Mr. Ghulam Sikhi Pahlavan, forth from the right.



