



KABUL AND THE CHALLENGE OF DWINDLING FOREIGN AID

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ABOUT THE REPORT

This report delineates recent economical, political, and social trends in Kabul to offer a comprehensive view of Afghanistan's capital city, its unique role in the country's life, and the challenges its residents and administrators currently face in a context of dwindling foreign involvement, reduced foreign aid, a faltering national economy, and social and political unrest. Funded by the United States Institute of Peace (USIP), the report is based on field research conducted in 2014 and 2015.

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[The balance of center-periphery relations depends ultimately on the perceived lasting ability of Kabul to represent the ultimate and undisputed source of authority, legitimacy, and wealth.]

Summary

- Afghanistan's capital city is a natural focal point for the country's transition away from more than a decade of foreign occupation.
- Kabul's economy is foundering. Developing new policies to stimulate investment and reorient production and trade on a more sustainable basis is critical.
- Economic competition over scanty resources has the potential to foment serious unrest in a city already simmering with tensions. Better urban planning and management would help allay tensions.
- Distribution of public services has conspicuous room for improvement. Receipt depends on location but is uncertain: poor households receive the least, health care is inferior, electricity is unreliable, waste collection is a shambles, and water is available but controlled by private parties.
- Uniquely relatively safe for most of the last decade, Kabul is seeing a spike in criminality, which is taking a heavy toll on its citizens and posing a grave threat looking forward.
- Although Afghanistan's undisputed cultural center, Kabul is also seeing a serious brain drain, many educated and skilled youth going abroad in search of opportunity as well as safety.
- Kabul is the primary destination for foreign goods and a hub for distribution to the rest of the country. Afghanistan's trading-dominated economy is not productive, however.
- The city has never been controlled by a single strongman but instead has been fought over by rival factions. Management today is complicated by the number of government bodies concentrated there and their overlapping responsibilities and authorities.
- Politicians continue to be selected for their ability to broker alliances and gather support on the basis of ad hoc patronage rather than for their capacity.
- Nonetheless, if the potential for a successful transition—a stable economy, mobilization, and intellectual and technical capacity—can still materialize anywhere in Afghanistan, Kabul is the most likely place.

A Complex Phenomenon

Afghanistan's capital city of Kabul is one of the more complex phenomena in the country today, to which complexity its immense size, fluid borders, and links with national politics and dynamics all contribute. At the same time, the city is both distinct from and representative of the provinces. Looking forward from the withdrawal of international troops, organizations, and funding from Afghanistan, Kabul is a natural focal point for the country's transition away from foreign occupation and toward autonomous and effective self-governance.

Since 2001, Kabul's economy has depended heavily on external funding and involvement—primarily international aid and development in the wake of the U.S.-led military invasion. This capital inflow peaked in 2011 and 2012 and then, as the drawdown of foreign troops got under way, declined precipitously. Today, uncertainty about the economy and a declining security situation are spurring many educated youth to leave for Europe. In a word, social tensions are simmering just under the surface in Kabul, even more so than in other Afghan cities, and have the potential to foment serious unrest. Although in recent years the city has largely been spared sustained insurgent violence, the worsening economic situation adds considerable stress to a tenuous security scene, especially on jobless youth and newly settled immigrant households.

The continuing fresh cohorts of rural Afghans dilute the remnants of urban culture and fray the social fabric in Kabul, but nonetheless have a potential beneficial effect. Increasing interdependence between the city and the countryside could help bridge divides within Afghanistan, a tension that might otherwise become a core challenge of the future, given that insecurity and radicalization in rural areas could in time prove the undoing of whatever peace and security remains in Afghan cities.

One of the first challenges to understanding and thus addressing the situation is how to separate Kabul's local politics and economy from the national. Kabul is not just Afghanistan's most populous city and its major trade and employment hub, but also a locus for political elites and the international organizations that have supported the country's political order since 2001. The development of the years since the invasion, unequal as it has been, has enhanced Kabul's role on the national scene and turned a wreck of a city into a national capital once again.

Rural Afghans look to Kabul today not because they are more desperate and endangered than during the civil war era of the 1990s, but because Kabul offers at least the dream of better opportunities and better protection. This vision of opportunity applies even more to political and economic elites. The international aid, contracts, and investments in Afghanistan have dwarfed almost all other ways of turning a profit over the past decade and a half. Most of this money, whether from legal or illegal activities or from foreign or internal sources, passes through Kabul and thus influences both its economy and its political networks.

The lack of a common vision for the city's governance, even within the government bodies deputed to administer the area, is all too evident, however. Kabul has developed neither according to a plan nor in a sustainable way. Unpaved streets in the city center, lack of piped water in relatively upscale residential neighborhoods, and a nonexistent sewerage system all bear witness to the lack of a long-term perspective and the frenzy with which the capital has been (re)built.

Kabul also, and significantly, has no class of indigenous politicians either concerned with the lives of Kabul residents or, following the lead of the traditional prewar Kabul intelligentsia, identifying with a supra-ethnic, national, and progressive political vision. As a result, most Kabul residents do not enjoy the windfalls of political participation, even in its most

primitive form of redistributive patronage, and Afghanistan misses out on the positive influence of nonfactional and noncommunal policymakers that could help defuse the fraught tensions so common across the country today.

A balance of center-periphery relations is critical to defusing such tensions. It depends, ultimately, on the perceived lasting ability of Kabul to represent the ultimate and undisputed source of authority, legitimacy, and wealth in Afghanistan.

The Landscape

In analyzing and understanding Kabul as an entity, we must first develop a sense of the city's main topographic features and define as much as possible its outer limits. After that, we need to consider its people.

Shifting Boundaries

Imagine the city as a circle in which three concentric rings define ethnic stratification. At the core are the original urban districts built before the second half of the twentieth century. These make up the old city (Shahr-e Kohna), which is basically still in its medieval shape, though many of the original inhabitants have been supplanted by poorer immigrants from the provinces; the new city (Shahr-e Naw), built at the end of the nineteenth century; and the areas of Shash Darak and Wazir Akbar Khan, developed from cantonments respectively as a foreign embassies enclave (a sort of Kabul Green Zone with restricted access) and a neighborhood for the Afghan elites (after 2001 rented out to foreign organizations and offices). The second ring includes neighborhoods planned and developed between the 1950s and the 1980s by the government to host the slowly growing city population: Taimani, Qalah-e Fathullah, Karte Se, Karte Chahar, Karte Naw, and the *microraisons* (Soviet-style residential districts). These also have lost a large share of their original residents and are increasingly popular with young Afghan professionals. A growing third ring, which mushroomed after 2001, is—save for a few high-profile residential complexes for VIPs—home to recent immigrants.

The most recent settlements in the outer ring are often more ethnically homogenous than the center or even some neighborhoods often understood to be historically the domain of a specific group. Examples include the mainly Tajik Khairkhana, which includes Pashtuns; the primarily Pashtun Karte Naw, which includes Tajiks; and the primarily Hazara Karte Se, which includes Pashtuns. The most recently settled areas are those where residents are more likely to lean exclusively on *qawmi* (a social unit based on kinship, residence, or occupation) networks to find housing and jobs, to carry out collective work to improve their settlement conditions, and to mobilize politically—not to move toward the cosmopolitanism and modernity associated with urban acculturation. Segregation is most evident in unplanned settlements, but absent where the master plan was fulfilled.¹

The development of commercial areas followed these boundaries to some extent, in that bits of planned residential areas bordering unplanned ones have been converted into peripheral business centers to provide for the latter. An Afghan researcher explained:

The wood market is monopolized by eastern Pashtuns and built in the east part of the city (Binihisar), so the other linguistic groups go there to buy wood. In addition, Bazaar-e-Karta-e-Naw in the east and Kot-e-Sangi and Bazaar-e-Company in the west are the areas where the Pashtuns are a majority. In Bazaar-e-Mariam, Bazaar-e-Tahya-e-Maskan, and Saray-e-Shamali in the north part of Kabul City, the Tajiks are a majority. Bazaar-e-Dasht-e-Barchi (in the southwest) is located in an area mostly populated by Hazara people. Moreover the transportation system in each region is monopolized by the ethnic group which has the majority in the region.²

This type of urban development favors residents of peripheral districts who, though often still deprived of basic public services, at least have commercial facilities at their disposal and do not need to commute to central districts to shop for daily needs. At the same time, it can—especially for those neighborhoods densely inhabited by recent immigrants from the same regional or ethnic background—perpetuate a sort of village society, in which everyone knows each other and everybody’s business, and which often have more direct connections with the province of origin of the local residents than with areas of central Kabul.

Nonetheless, Kabul has retained much of its structure throughout its growth, the central districts remaining at the core of the commercial, administrative, and political life of the city—the main exception being the Parliament sites in West Kabul. The old city’s bazaar, Mandawi, still functions as a primary trade center—though less of one than Shahr-e Naw’s modern malls—for both long-time residents and newcomers looking for anything other than basic goods.

This resiliency in the face of polarization in the periphery stems from both infrastructure and culture. The central districts are more stable than elsewhere at least in one respect: they are less subject to the sudden, frantic changes affecting other areas, and thus shops there can become well enough established to be familiar to consumers and trademarks in their own right. Shopping in downtown Kabul is still considered a pleasure or a status symbol by many, in part because its transportation network makes it readily accessible to everyone despite the accompanying traffic and pollution.

Kabul’s sprawling physical growth has had a serious impact on its population. The most common types of housing and settlement patterns have meant that a dramatic horizontal expansion accompanied the demographic growth. The change is readily apparent to those who visit the city after a lapse of some years: areas that were barren or agricultural land are now residential plots, and the city keeps extending its territory in almost all directions. Kabul has in recent decades tripled its land area: from the approximately 330 square kilometers (128 square miles) of the 1978 master plan to approximately 102,300 square kilometers (40,000 square miles) today.

Kabul spreads across a high-altitude plateau (an average elevation of 1,800 meters, roughly 5,900 feet), historically delimited by the skirts of the Paghman Mountains to the west and the Mahipar Gorge to the east, and by several ridges, Khwajah Rawash and Khairkhana to the north and Tajbik to the south. Another chain of hills severs the flat area into two halves, which roughly make up central and west Kabul. Kabul’s landscape has always been shaped by the Kabul River, which creates narrow gorges on entrance into and exit from the plateau, but flows in a regular and mostly west to east course through it.

Not all empty spaces and agricultural and pasture areas within these boundaries have been filled in, but in many areas Kabul now surpasses its traditional borders, chiefly along the main road leading to the Salang Tunnel and to the north of the country. The pass of Khairkhana saw the first construction climbing its slopes in the 1980s, but has been heavily in-built since 2001. Settlements now extend as far as five kilometers (three miles) beyond the pass, merging with the village of Karez-e Mir. These are the official 2016 limits of the city—where the main checkpoint and welcome-farewell sign stand.

Beyond its physical boundaries, Kabul functions as a job market and magnet for laborers from a broader hinterland. This can reach as far as Charikar in Parwan Province, Pul-e Alam in Logar, or Maidan Shahr in Wardak, but mainly draws inhabitants of small villages closer to Kabul but removed from main roads or local sources of revenue, who commute daily or weekly into the capital to trade agricultural products, work as guards or household staff, or seek

Kabul functions as a job market and magnet for laborers from a broader hinterland.

occasional employment as wage laborers. The greater traveling times and costs for those who live to the east of the city makes commuting less profitable than wholesale migration, and thus commuting is more common in the north and south.

Kabul's expansion has been spurred primarily by immigrants from the regions north of Kabul (the so-called Shomali districts of northern Kabul Province and Parwan and Panjshir Provinces) who settled closer to the city after 2001, and empowered businessmen and politicians from those communities to invest in the area and secure land for private purposes. The process seems far from over despite the past two-year downturn in urban investment.³ On the western side of the city, a similar albeit lower-profile expansion boom has taken place. Refugees coming here often have a history of flight from violence or from poverty, such as the Hazaras from the central highlands of Wardak and Bamyan Province settling in Dasht-e Barchi.

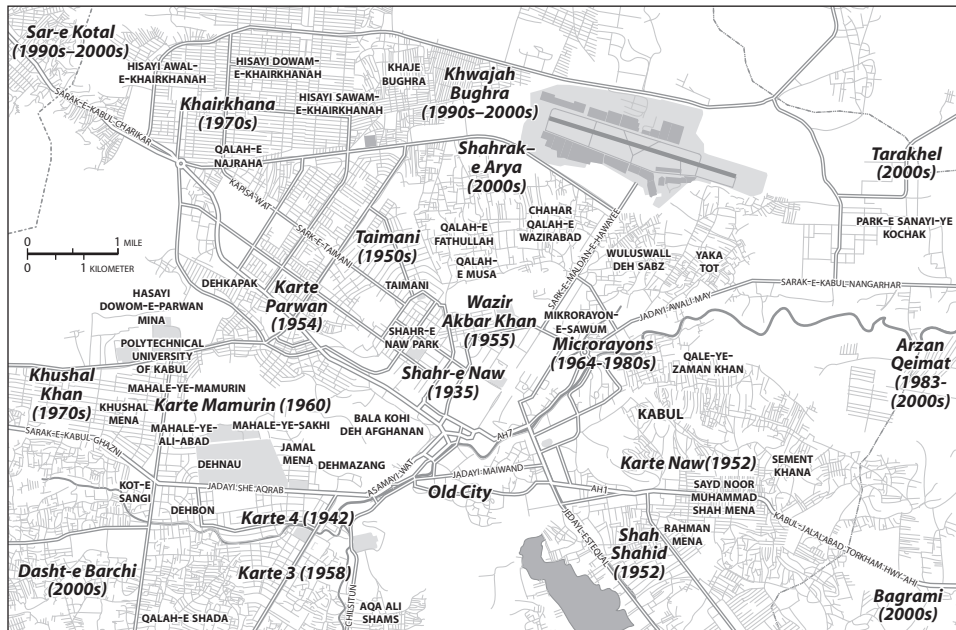
Another area where city boundaries have begun to stretch, and will likely continue to do so in the future, is the southern axis along the Kabul-Gardez Highway and at the end of Darulaman Road. Here, too, though less visibly than in the north, the city has pushed outward. Topography has limited this to a degree, however, and immigrants from the south have often settled closer to the city center, in-filling impoverished or middle-price areas such as the Old City or Karte Naw. Currently, the southern end of Kabul still looks like an agricultural area dotted with patches of residential plots.

One of the few areas where natural constraints have placed a clear-cut limit to expansion is the east end of Kabul. The influx of eastern immigrants in recent years has not been less than that of northerners or southerners—and some, in particular the Kuchi nomads, require a separate mention given the political significance of their movement. The eastern side of the Kabul plateau offered a major empty space for urban development, and many easterners have settled in the new neighborhoods built there over the last decade. However, the Kabul River Gorge of Mahipar is a strong physical barrier and the adjoining Sarobi District, though part of Kabul Province, is much less integrated with the capital's economy than Bagram in Parwan Province to the north or Muhammad Agha in Logar to the south.

Settlers from Afghanistan's Kuchi nomadic community who have occupied or been allocated land plots in the area have caused tension among local residents, particularly in the southeast between the highway to Jalalabad and Bagrami District. These mainly Pashtun residents of small villages across the Kabul countryside have in response begun to claim (or seek to claim) state land before the Kuchi can do so.

Kabul's expansion has prompted authorities to develop new administrative structures for the city, which has generated competition between the municipality and the national Ministry of Urban Development Affairs (MoUDA). Since 2001, the city has expanded from the original twelve *nabiya* (wards, also commonly referred to as police districts, with which they coincide) to twenty-two, an expansion of 570 square kilometers, roughly 220 square miles (see maps 1 and 2). The first six were established in 2003, some incorporating newly urbanized areas and some split off from existing wards.

The creation of the new wards has been rejected by the Ministry of Urban Development, which maintains that the municipality's responsibility at the limits of the city's 1978 master plan. The ministry in particular objects to the creation of Ward 19 and has sought to prevent the municipality from gaining control over the area designated to host New Kabul City, a project developed under the auspices of the ministry, managed by an independent authority, and intended to become a separate administrative entity. In this study, the new wards are used according to the municipality's definition because they are the most precise and coincide with police districts.

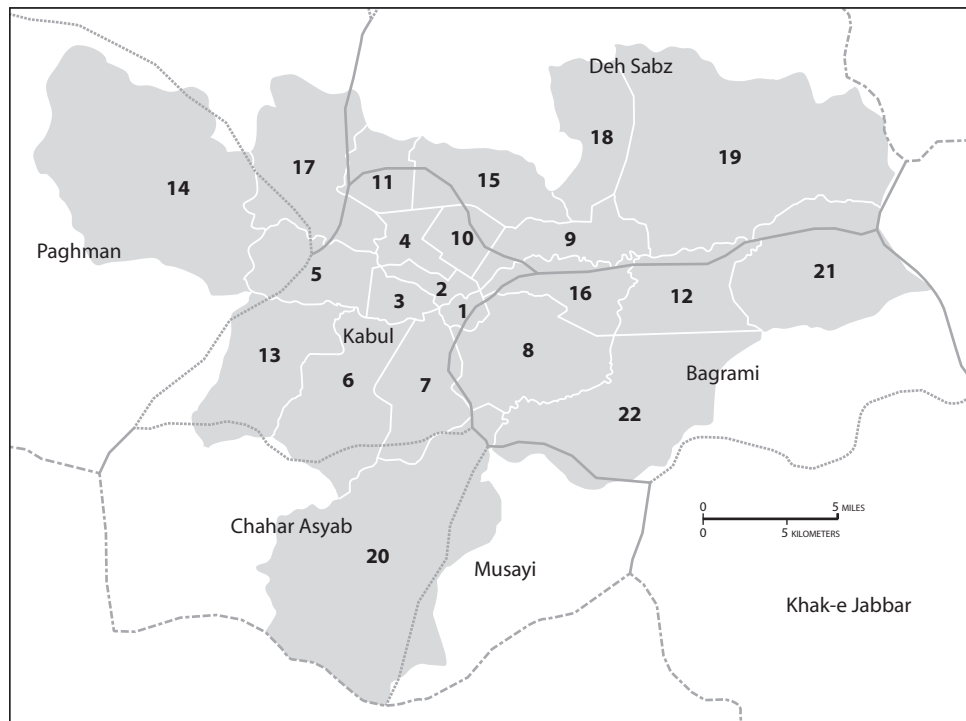
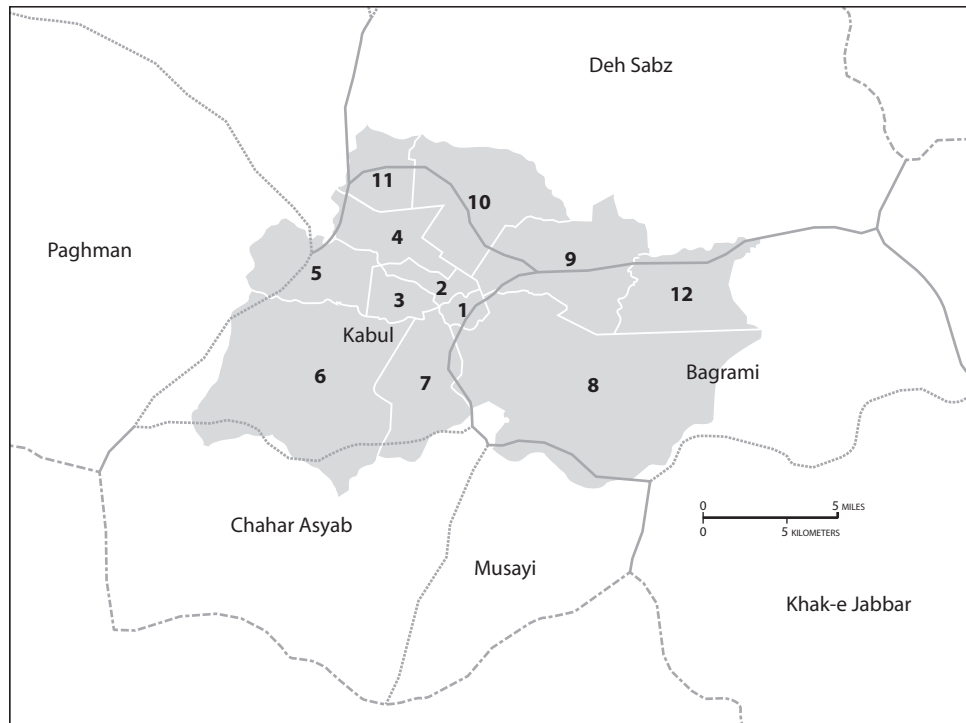
Map 1. Expansion by Neighborhood Construction

Population

The population of Kabul has varied considerably over the troubled last several decades as Afghans affected by war either took shelter inside the city for protection or fled from the civil strife in the city for safer rural spots or exile in neighboring countries. The city gained new residents in the 1980s when it accommodated pro-government families escaping mujahideen-dominated rural areas. It then lost many inhabitants during the most violent phases of the civil war between factions of the mujahideen from 1992 to 1994. The first years of Taliban control over Kabul did not bring significant changes to the city's demography, but the continued armed struggle north of the city created waves of tens of thousands of refugees to the city, especially in 1999 and 2000. Overall estimates of Kabul's population for those years are sketchy. In 2001, the number of city residents was put between a half a million and two million—making one and a half million a realistic approximation.

After 2001, Kabul quickly assumed the role and size of a *primate city*, one that has more than double the population and influence of the same country's second-largest city. Herat, Mazar-e Sharif, and Kandahar do not even come close to half Kabul's population.⁴ In the absence of a proper census, however, agreement on Kabul's current population is elusive; estimates, mostly based on growth rates, vary considerably.⁵ In demographic profiles that the Central Statistics Office (CSO) and the United Nations Population Fund (UNFPA) prepared in 2004, the population of Kabul Province was given at 2,425,067 and that of the city at 1,928,752. The most recent CSO figures (2014) mention a total provincial population of 4,227,200 and an urban population of 3,565,000. The urban figure, however, accounts for only the first seventeen wards of the city.⁶ Although without doubt a conservative estimate, the CSO's population breakdown illustrates how the wards are populated (see table 1).⁷

Other estimates report a more dramatic expansion, citing a Kabul City population of 3.7 million in 2007 and 4.5 million in 2010. In 2011, the Japanese International Cooperation Agency (JICA) estimated 4.5 million, and Kabul Municipality (KM) more than 5.0 million.⁸

Map 2. Expansion by Ward or District (Source: Calogero 2011)

Source: Pietro Anders Calogero, "Planning Kabul: The Politics of Urbanization in Afghanistan" (PhD diss., University of California, Berkely, 2011).

The Afghan capital and its estimated annual growth rate of 5 percent ranks fifth among the world's fastest growing cities for the 2006 to 2020 span. Applying growth of approximately 5 percent to the 2011 JICA estimate yields a 2016 population of more than 5.5 million.⁹ For

Table 1. Area and Population Estimates of Kabul's Wards

Ward (Police or Urban District)	Area (Hectares)	Population	Male	Female
PD 1	–	94,100	49,200	44,900
PD 2	950	114,600	59,300	55,300
PD 3	595	138,800	72,200	66,600
PD 4	1,130	295,300	152,400	142,900
PD 5	2,800	272,600	142,100	130,500
PD 6	4,950	301,800	156,200	145,600
PD 7	3,766	361,000	188,000	173,000
PD 8	4,670	300,100	155,900	144,200
PD 9	2,000	259,600	133,700	125,900
PD 10	–	318,400	164,400	154,000
PD 11	1,760	249,200	127,200	122,000
PD 12	480	45,900	24,100	21,800
PD 13	4,300	210,700	108,700	102,000
PD 14*	3,600	21,300	11,100	10,200
PD 15	3,200	340,900	175,600	165,300
PD 16	2,100	147,900	76,900	71,000
PD 17	–	92,800	48,200	44,600
Total	–	3,565,000	1,834,100	1,709,600

Source: Author's compilation based on CSO data

* This figure comes from that of Paghman's urban residents. The CSO sheet states that no agreement has been reached between the municipality, Kabul Province, and the Ministry of Interior.

comparison, the overall annual population growth rate in urban areas of Afghanistan stands at 5.4 percent, and the overall national rate at 3.2 percent.¹⁰ Although much higher in the first years after 2001, peaking at 17 percent, this rate is not likely to slow much below 5 percent in the short term. Calculating on the generally accepted 2004 population figure of three million yields a yearly increase of about 150,000 people, or some twenty thousand households.¹¹ According to the World Bank, 54 percent of Afghanistan's urban population lives in Kabul, and this percentage is growing.¹²

The National Risk Vulnerability Assessment (NRVA), a 2008 national household survey carried out by the CSO, put Kabul's urban residents at 2.85 million, some 11.4 percent of the total Afghan population—nearly twenty-five million at the time. According to the NRVA statistics for 2011 and 2012, Kabul's share of the total country population (26.5 million) increased to 13.4 percent.

Another noteworthy feature evident in the recently published NRVA data is the high percentage of the population in the fourteen and younger age group, which amounts to 1,743,000 in Kabul Province (of a total 4,227,200).¹³ That 41 percent is in line with 42 percent for all urban areas and only slightly lower than the national average of 48 percent. The fifteen to twenty-four age group is clearly overrepresented in urban areas—23.6 percent of the population, versus 17.8 percent in rural areas—a sign of labor-oriented migration from neighboring provinces.

Kabul's population reflects rural Afghanistan as a whole. The 2011–12 NRVA states that more than half (53.5 percent) of Kabul Province residents were born somewhere else; the percentage is considerably higher if only urban residents are considered, and migrants are likely to have been disproportionately undersampled. Returnees from outside the country also chose Kabul for its comparative security and hopes of better job opportunities and life conditions. These trends are unlikely to shift downward: recent patterns show even greater migrant prefer-

ence for settling in urban areas than those of *lifetime migrants*, as the NRVA terms those who have throughout their lives been displaced from their place of origin. The arrival of immigrants and their settlement in Kabul has decisively changed the face of the capital.

Of those born elsewhere and living in Kabul, 1.9 million are said to have come from other parts of Afghanistan. Some 360,000 are returnees from exile who were born abroad. Returnees thus make up nearly half of the total number of registered immigrants to Afghanistan (725,000) since October 2004 and 8.5 percent of the capital's population, more than the national average for all urban (6.9 percent) and rural (2.5 percent) areas. Most of these returnees were originally from rural areas, but on coming back to Afghanistan have resettled in other places, Kabul being the first destination. Many internal immigrants also came from rural areas, though recent patterns show that urban-to-urban movement is increasing.¹⁴

Recent figures for the average household size in Kabul Province vary slightly. According to the 2013 CSO sociodemographic survey, it is 6.9 (6.8 for the city alone). A 2014 assessment put it at 7.1, the same as Herat and Mazar-e Sharif and considerably smaller than Kandahar and Jalalabad, where households average nine or more.¹⁵ Such cities bring up the average urban household size to 7.5, higher—contrary to assumptions—than that for rural areas (7.4) and for nomads (7.2). Many urban households accommodate extended family members from rural areas who have come to the city looking for work—this is particularly frequent in Kabul. Such households also tend to be multigenerational and to host elderly relations.¹⁶

At the same time, the notion that household size tends to decrease in cities remains valid. A documented social change taking place in Kabul is young couples not accepting or being able to afford to contribute to the needs of their extended families. An explanation for this seemingly contradictory data is that in an urban environment households can split and merge according to the need in a more dynamic way than those in the countryside: the cost and turnover of housing, differentiation of livelihoods among members, and opportunity of accommodating relatives or selling properties are factors influencing their choice.

Kabul has an especially large fourteen to twenty-five age group, some 24.1 percent of its total population, versus 18.9 percent at the national level. This difference suggests that many youth from rural areas come to the city in search of a job (or education) on their own. This interpretation seems confirmed by the markedly low numbers for this age group in two neighboring provinces known to contribute a significant flow of immigrants to Kabul—Logar (9.8 percent) and Wardak (14.6 percent)—and especially given that females in this age group consistently outnumber males there.¹⁷

On the other hand, Kabul records the lowest share of under-fifteen population, 41.1 percent against the national average of 48.4 percent and lower even than the national urban data of 42 percent.¹⁸ Possibly for this reason, Kabul fares better than Afghanistan's other four major cities in terms of the number of household members contributing to family income: 1.8 earners for every 7.1 family members.¹⁹

Old and New Kabulis

Kabul has long represented the city par excellence in Afghanistan, and before the decades of conflict hosted an urban society that, though characterized by differences in socioeconomic and cultural background, identified with a Kabuli identity. This identity was associated with ideas of urbanity and relative sophistication, and usually registered less of an ethnic connotation than that of other mixed environments in the country.²⁰

The old Kabul experienced radical social transformations during the People's Democratic Party of Afghanistan (PDPA)'s time in power, from 1978 to 1992. Not only did many of the old well-to-do families leave the country, but the city also increasingly hosted many pro-government families who had fled unsafe provinces. The subsequent struggle among the mujahideen faction and the dire situation under the Taliban forced many more original Kabulis into exile. Again, families of pure urban background—and often secular orientation—found few other safe havens inside Afghanistan (except, in some cases, Mazar-e Sharif), and usually relocated abroad. Those who had come to Kabul more recently and had still relations or assets in rural areas went back to their places of origin—provided these were far from the front lines.

Despite being in shambles when the Taliban fell in 2001, and still facing critical infrastructure inadequacy, Kabul again began to attract immigrants and has been the destination of a mass migration of Afghans ever since. The new residents certainly contribute to rebuilding a city but also further dilute what was left of the Kabuli urban identity.

Ethno-linguistically, Kabul has historically been a majority Persian-speaking city with a distinctive Dari dialect very much open to Pashto and Hindi-Urdu influences, where many urban residents, government employees, bazaris, and artisans would before the war identify simply as Kabulis. The countryside immediately around the city, now largely urbanized, was mainly inhabited by Tajiks also calling themselves Kabulis. Primarily Pashtun villages lay to the south and southeast and some mixed Tajik-Pashtun areas also to the north and west. People from various provinces had moved to the capital since before the conflict, and Hazaras in particular already made up a significant community.

Nowadays, many former city-dwellers have left and only a fraction of the old Kabulis remain, primarily former rural residents better able to withstand the decades of turmoil and institutional crisis, who have managed to retain possession of at least part of their now prized land. Others, shopkeepers and retailers, moved from their original homes in central areas such as Shahr-e Naw and Wazir Akbar Khan to quieter neighborhoods. Some petty state officials who duly served each successive government still inhabit the *microraisons*. A few prewar families of traders who came back from exile are now part of the new elite and live accordingly.

Almost one-third (31.9 percent) of Kabul Province residents have a history of migration and resettlement, having lived part of their life in another place. Half are returnees from abroad, and a majority of the others are from provinces around Kabul. The most sizeable communities are those from Wardak (7.4 percent), Parwan (4.8 percent), Ghazni (3.9 percent), Bamyan (3.7 percent), Nangarhar (3.2 percent), Panjshir (2.6 percent), and Kapisa (2.4 percent).²¹

Newcomer settlements followed a precise geography corresponding to their places of origin. Refugees who had spent years in Pakistan or Iran began to move back to Afghanistan as early as late 2001 and for most of the next decade the flow was significant. Many, regardless of their place of origin, chose or had to settle in Kabul and—being left to their own devices by the government—did so according to their capacity. They are nowadays found across the city in a wide range of conditions. Some still live in disadvantaged communities in shabby conditions, but many others managed to put the skills and qualifications they had developed abroad to good use and have become an active part of Kabul society.

By the end of 2001, a new elite of anti-Taliban fighters and the western Afghan diaspora had occupied the best spots in Kabul. Leaders from all factions that had fought against the Taliban moved to the capital, but the lion's share of the military control of the city fell to the Shura-e Nezar faction of the late Ahmad Shah Massud, then headed by Qasim Fahim. In due time they were also able, by participating in the government and a variety of either legal

or illegal businesses, to establish themselves as an economic elite and settle in specific parts of town—Wazir Akbar Khan and later Khairkhana—in luxurious villas. Because of the proximity of their regions of origin and their history of economic migration and links to the city, the Shura-e Nezar leaders were followed by many of their people from the Shomali or Panjshir, who, though not necessarily settling in well-to-do conditions or on prime land, maintained a certain self-assertion derived from the sway their compatriots held over the city's security.

Subsequent waves of immigrants came mainly from neighboring provinces. Economic motivations were the main drivers in the beginning. For example, a mass of people from poor mountainous areas such as Panjshir and Hazara-inhabited Bamyan and parts of Wardak, who had once sought labor in Kabul before the decades of turmoil, flocked there. Some had well-connected households and found it more profitable to exploit their connections with people of the same background who had secured a good position in Kabul with the government or as businessmen by joining them in the capital, also to avoid being targeted by criminal or insurgent elements. The latter was true particularly of those from unsafe areas such as Wardak, Logar, and Nangarhar. In later years, conflict became a major reason for displacement and migration to Kabul, including from the far-away southern provinces.

Reasons for migrating to Kabul include search for employment, flight from drought, natural disasters, and—increasingly in recent years—high levels of personal threats, overall insecurity, or direct displacement because of military operations in home provinces. According to government statistics, Kabul Province received immigrants equivalent to an average 9.1 percent of its population every year between October 2004 and January 2012.²² This is the highest ratio among all Afghan provinces (with the exception of Nimruz, something easily explained by its scanty population and location on the border, coupled with the forced repatriation of immigrants by Iran). According to a 2014 survey, 48.3 percent of respondents in Kabul self-identified as internally displaced persons (IDPs). Of these, 40 percent were returnees from outside the country who traveled to their home provinces only to end up displaced again to the capital. Of the total population, direct returnees and voluntary economic migrants amounted to 14.5 and 21.2 percent respectively; only 15.7 percent were lifetime Kabul residents.²³

Many returnees come from Pakistan or Iran, either directly to Kabul or eventually having to settle there because of insecurity in their provinces of origin or because their property in the provinces had been usurped.²⁴ This trend continued into recent years, though the overall number of returnees has decreased considerably. In 2011 and 2012, Kabul accounted for 2,994 of a national total of 12,501 returnee families and 16,117 of a national 68,581 individuals. Of these, 1,768 families and 9,670 individuals came from Pakistan and a corresponding 1,209 and 6,358 from Iran. At least two and a half million Afghan refugees remain in Pakistan and Iran. In 2013, the inflow of returnees hit an all-time low of thirty-eight thousand countrywide (only volunteer returns are considered).²⁵ In 2014 and 2015, Pakistan and Iran forced the deportation of Afghan refugees for political and economic reasons.²⁶

Among the internal factors contributing to large-scale displacement to Kabul are the U.S. operations in several districts of Helmand and Kandahar in 2010 and 2011; the periodic Kuchi-Hazara conflict over access to pastures in Behsud and Daimirdad Districts of Wardak, especially in 2007, 2010, and 2012; and the Taliban build-up in districts such as Batikot in Nangarhar and Sayyedabad in Wardak since 2010.

Refugees from areas relatively close to the capital who could count on the assistance of relatives already living there (those from Wardak, both Hazaras and Pashtuns, put up with

relatives in West Kabul, for example) are not as visible as other immigrants to the city. In some cases, when the level of threat in their home area decreased, some even returned (the Hazaras). However, many refugees without family connections or the ability to rent a house ended up in camps. Settlements of tents or makeshift huts on government land inside the city, or even squatting in abandoned government buildings, offer refugees some visibility to potential humanitarian assistance and arguably reduce the risk of eviction.²⁷ Some of these camps were already in place in formerly peripheral areas such as Chaharrahi-e Qambar in the west, Pul-e Charkhi in the east, and Chaman-e Babrak to the north. In centrally located Karte Parwan, IDPs joined poorer returnees from Iran or Pakistan who had been living there for many years.

The number of settlers and the locations of settlements are volatile and depend on the season, the attitudes of city officials, income opportunities, and access to services (see table 2). A 2014 report estimated more than sixty settlements across the city.²⁸ In 2005, only fifteen thousand people in Kabul were reported as homeless, ten thousand of whom were living in tents and five thousand in ruined buildings. The number of those living in camps was estimated at thirty-five thousand in 2012 and at forty thousand in 2014.²⁹ Charrahi-e Qambar is the largest informal settlement of IDPs in Kabul: according to the Danish Refugee Council, an estimated five thousand people were living there in 2011.

The Afghan government has sought to discourage IDPs from settling in camps permanently and therefore only a few international programs offer assistance. Some officials have publicly expressed resentment and suggested that IDPs be removed from the city.³⁰ Some IDP communities had already been discriminated against on the basis of their status as gypsy-like vagrants.³¹ Competition for scanty resources has often heightened tensions among the communities living in the camps, the majority Pashtuns reportedly ostracizing Tajiks in the Nasaji Bagrami camp, for example.³²

After many residents of these camps—including children—died during the harsh winter of 2012, humanitarian agencies stepped in more decisively to provide the Kabul informal

Table 2. Refugee and IDP Camps in Kabul

Name	Ward	Background
Chaharrahi-e Qambar	PD 5	Pashtuns from the south
Chaman-e Babrak	PD 4	Tajiks from Parwan and northeast
Kudakistan	PD 8	Tajiks and Pashtuns from Baghlan, Parwan, Laghman, Kapisa
Kabul Nandari	PD 8	Tajiks and Pashtuns from various provinces
Qalah-e Barqi	PD 8	Tajiks and Pashtuns from the east
Bagh-e Daud	PD 14	Pashtuns and Tajiks from various provinces
Proje Hussain Khil	PD 12	Pashtuns and Jogis from the east and Kunduz-Takhar
Qalah-e Qazi	PD 13	Pashtuns
Nasaji Bagrami	PD 8	Pashtuns from the south
Pul-e Charkhi	PD 9	Pashtuns from the east
Tamir-e Milli Bus	PD 8	Pashtuns from Laghman, Kapisa, and Sarobi districts of Kabul
Behind New Parliament (Darulaman)	PD 6	Mainly Pashtuns from Wardak and Parwan

Source: Author's compilation based on Ahlem Cheffi, "Child Psycho-Social Well Being Assessment: Kabul Informal Settlements" (Kabul: ACF International, 2014); Samuel Hall, "Cash-Based Assistance."

settlements with assistance, especially in the cold season.³³ As pointed out afterward, IDPs in Kabul were still more privileged than those in other, less visible urban areas: 90 percent, versus only 6 percent in Kandahar, had received some sort of winter assistance.³⁴

An increasing trend in recent years has been the outflow of young, often educated individuals from Kabul to foreign countries—mainly Europe. This phenomenon is discussed later in the report.

Coping Strategies

Economic stability for Kabul residents is at best uncertain. Inflation rates undermine savings for many households that have neither income in strong foreign currency or remittances from abroad. Bank loans are not accessible or have high interest rates. Material assets other than financial capital, such as public services and secure land tenure, are rare. The primary accessible capital is thus social—relations of solidarity within family or community networks. Monstuart Elphinstone's famous early nineteenth-century observation that "power consists in the number of a man's relations" translates for most early twenty-first-century Kabulis to "chances of household survival consist in the number of a family's relations."

The first domain affected by such considerations is the place of residence. The tendency of new settlers to settle according to their place of origin allows them to benefit from *qawmi* support to occupy and enclose land. Residing within one's community of origin may not be driven by distrust or dislike for members of other groups, but rather because it makes organizing much-needed collective work among neighbors easier: helping build neighbors' houses, carrying out tasks such as cleaning ditches that benefit all residents, or selecting a unified representative to interact with formal institutions.

Such social networks are pervasive, especially in newcomer settlements in the suburbs, in areas that still have at least part of the original population, or where those who arrived during the 1990s have put roots. Everywhere across Kabul, though, these networks provide an important safety net for poor urban households. At the same time, the city is also home to many Afghans—often returnees—who, after decades of forced migration and mobility, have only their immediate family as their support network.³⁵ Urban social networks are weaker than their village equivalents but can still have a major influence on the economic situation of city residents through collective help, financial support in crisis, information and connection-building, and employment.

A 2009 study, for example, found that an overwhelming majority of Kabulis—almost five thousand of the 6,491 households interviewed—had found their job through family connections or friends and neighbors' referrals.³⁶ Similarly, a 2011 survey found that the vast majority of 324 employers interviewed hired their employees through friends (70.7 percent) or relatives (66 percent); only 1.2 percent did so through job advertisements on newspapers, television, or radio stations.³⁷ Relatives made up, on average, 28.4 percent of the full-time employees of a company. Within such a system, meritocracy and the benefits that could be reaped through its application are surpassed by the credit acquired through favors made to members of one's solidarity network. The potential for reciprocity is more important than the gain in productivity possible from meritorious selection of employees.

Transportation costs and traffic restraints also often push many families and individuals to shift residence very often simply to be closer to their workplace, potentially disrupting close social networks other than familial ones. Families can move several times in a year; in some years, of those renting, 40 percent had stayed less than one year in one home.³⁸ This phenomenon

affects households' ability to acquire legal titles and therefore worsens the housing conditions of poor households and forces middle-class or young professionals into a precarious way of life. It hampers the development of an urban civil society established through relationships of neighborhood and acquaintance. On the one hand, mobility favors the empowerment of young professionals by making them more independent from their families, or lead to the creation of more ethnically mixed neighborhoods. On the other, the lack of roots in a given place may force individuals and households to fall back on social networks organized around other factors, such as parental relations or ethnicity, weakening the social fabric of the city and its ability to withstand potential communal crisis.

Because security in Kabul is closely tied to the presence of VIPs, the identity of prospective neighbors is an important consideration for residents. Having VIPs living nearby can bring rare government attention and public services: in recent years, for example, the alleys between Taimani and Qalah-e Fathullah seemed to be paved depending on the presence of political powerbrokers' houses. At the same time, it can also attract insurgent or personal enemies' attacks or simply unnerve many ordinary Kabulis, who resent living close to heavily armed people who often consider themselves above the law and act accordingly.

Understandably, the level of trust among inhabitants who live in such neighborhoods can be low. In peripheral areas, the old (rural) Kabuli residents, both Tajik and Pashtun, struggle to cope with incoming provincial immigrants who fill the blanks of the peri-urban countryside by settling near their villages and connecting them to the city in a single huge, unplanned and unserved hinterland. This contrast between *bumi* (indigenous) and *ajnabi* (outsider) usually transcends ethno-linguistic identities.³⁹ Belonging to a single ethnic group is not a guarantee of better security; only when a common background is added can a certain level of mutuality and collaboration be assumed. Even then, however, the balance of social capital can be turned to the negative by the presence of intracommunity illegal armed networks that chiefly prey on their fellows.

Finally, the not-so-temporary presence of thousands of foreign expats has also had an impact on Kabul's human geography. The early confiscation of the central and high-class neighborhood of Wazir Akbar Khan by embassies, media offices, and nongovernmental organizations (NGOs) turned out to be only the tip of the iceberg. In the years that followed, expats had a major influence on real estate and rental prices throughout the city. Lower-profile expats tended to avoid the high prices and high sensitivity of places such as Wazir Akbar Khan and Shahr-e Naw, moving first to Taimani and Qalah-e Fathullah, and then to Karte Se and Karte Chahar. In these areas, they eventually tore up the social fabric by causing prices to skyrocket, thus forcing many of the previous residents to leave (*market eviction*). By triggering this process, they probably prevented the territorial consolidation of a sort of Kabul middle class, or at least of more normal ways of inhabiting and living in a city by its long-term residents. The presence of foreigners and the wealth they selectively brought to certain neighborhoods increased the socioeconomic divide between parts of Kabul and led to feelings of exclusion and frustration among the poor and the unconnected. Even after many of the expats relocated out of the country or moved elsewhere from 2015 onward, their imprint on the housing market remained in that few Afghan households were able to afford to move into the vast compounds built for foreigners. A portrayal of the city as of 2011 still holds largely true: "With its growing income inequalities, social gaps, cultural cleavages, security barriers, and spatial contradictions, Kabul is turning into an apartheid city in which the privileged and the underprivileged live together, yet in estranged spaces."⁴⁰

The Soil of the City

In the fifteen years since the fall of the Taliban regime, Kabul has changed dramatically. The city has been aptly described as one where “emergency, rehabilitation, and development phases are co-existing.”⁴¹ Nowadays, the city is saddled with numerous unresolved infrastructural problems dating to the prewar period, to which many more have been added by the enormous increase in the population. Basic needs like electricity have proven incredibly difficult to guarantee, a major breakthrough achieved only in 2009, when Afghanistan started importing electricity to Kabul City and to several other major urban centers from the various republics of Central Asia, especially Uzbekistan. For example, only about 15 percent of Kabul City residents had access to (ir)regular electricity in 2002. Today, however, given the import from Uzbekistan and other central Asian countries nearly 70 percent (75 percent according to the World Bank) of Kabul City residents have access to regular electricity.⁴² Water is also a problem in terms of both quality and quantity. Access to piped water was until recently severely limited in most hill-slope settlements across the city, whereas in many other flat areas it depended and still depends on private wells.⁴³ Given the dubious distinction of being one of the world’s few national capitals without a sewerage system, the city has seen related human pollution and health problems compounded by the large increase of its population and by other types of pollution, first and foremost vehicle traffic.

Mobility has not improved in Kabul with the increased number of vehicles. Artificial obstacles to communications between parts of the city have exacerbated those already imposed by geography or by the limited existing road network. Roadblocks established for security reasons from 2005 onward and a daytime ban on trucks have further reduced the already limited possible routes to cross central areas of the capital. Public transport has not been able to respond to the increased numbers of residents and commuters: the number of private cars nearly doubled between 2006 and 2009, but the number of taxis has barely changed.⁴⁴

Road building has lagged behind both public expectations and the authorities’ promises. A few technically innovative and effective solutions, such as the overpass in Kot-i-Sangi and the widening and addition of lanes to the road in PD 5 connecting Kabul to Paghman, have failed to overcome ever-worsening traffic conditions. Routine street building has followed a static set of priorities and very slowly. Even maintenance work and the paving of side alleys, most of which remain unpaved even in the city center, has proceeded with difficulty, forcing cars along a handful of routes. Work on a 117-kilometer, thirty meter-wide Kabul Ring Road got under way in 2012, but what progress has been made is not clear.⁴⁵

The center of Kabul—in particular the area between the neighborhoods of Shahr-e Naw, Wazir Akbar Khan, and Shashdarak—remains the only major political and economic hub. Save for the government and educational facilities in Darulaman and Karte Se in West Kabul, the capital has few other poles of attraction. As the recipient of foreign aid money and the seat of the elites, the center of the city has also become the prime target for violence. The physical barriers and security gates that have proliferated severely limit accessibility from east to west and from north to south, and generate widespread traffic gridlock and pollution.

To make matters worse, most Kabul inhabitants live in peripheral areas where prices are lower, but must go to the center of the city on a daily basis to make their living, or try to do so.⁴⁶ Some of the elites have also tried to escape the deterioration of living conditions in the city center by moving to secluded chic residential areas farther out, but security concerns have pushed those areas to develop as walled enclaves, which failed to spur the development of broader peripheral areas into alternative poles, forcing their residents to continue to commute

downtown to work and shop. On the other hand, settlers living at the margins cannot afford anything except the lowest cost informal housing.

Despite generous external assistance, serious shortfalls in funding for urban services and infrastructure remain because most of the government's focus and budget have been devoted to security and security-connected development in rural areas. Urban regulatory bodies have been impaired by internal shortages and institutional competition. The management of urban growth had already changed radically over the decades prior to 2002, when urban centers had become heavily subsidized enclaves for rural residents displaced by conflict. After 1992, the capacity of state institutions responsible for urban development shrank considerably as Kabul became the scene of fierce factional fighting, and these institutions were ill prepared for the rapid growth that began after 2002.⁴⁷

The limited capacity of KM in terms of budget, qualified personnel, and political clout has been exacerbated by its reliance on the city's 1978 master plan, designed to accommodate up to two million people in the capital. Attempts at revising the plan have failed because of the lack of capacity or interest in doing so by the other relevant government body in charge of urban management, the MoUDA.⁴⁸ Kabul is the only municipality not coordinated by the MoUDA or the rural-focused Independent Directorate of Local Governance, and responds instead directly to the president. The municipality is often perceived as "reproducing the Soviet way of managing urban issues, whereas the MoUDA is more modern and the direct interlocutor of the international donors."⁴⁹

Although this kind of dichotomy can be found in many capitals across the world, Kabul has a broader range of political actors able to shape the city landscape through their agency: local powerbrokers, international troops, and humanitarian organizations that impose requirements on the state or implement privately and are able to get away with illegal or extraordinary practices regarding land, buildings, or road closures. Thus, according to urban planning scholar Pietro Calogero, "the loss of governing coherence in Kabul...is not merely a product of a loss of coherence within a regime: it is a product of fragmenting sovereignty."⁵⁰ The resulting informality and deconcentration of authority persists in part because "it is also an efficient strategy for urban regimes to maintain," given that such a system demands less resources and accountability from the institutions, making residents and migrants responsible for their own survival. Kabul's informality is best understood in the housing and settlements sector.

Land and Urban Development

Land development and construction has been Kabul's most profitable productive sector since 2002, spurred in part by foreign cash and profits from the drug trade. A variety of actors are involved, from single families building homes through collective work, to multimillion dollar housing projects involving banks and foreign designers. The sector also diverges between informal and formal development.

The term *informal settlement* covers a wide range of situations and potentially encompasses local language terms such as *ghayr-e qanuni* (illegal), *ghayr-e plani* (outside the plan), *be naqsha* (without permission), and *zorabad* (forceful usurpation). For KM, adherence to the 1978 master plan is the main criterion, and interpreted rather strictly. The MoUDA, on the other hand, seems more inclined to accept the formality of projects planned according to good standards and infrastructure.

Table 3. Built Area and Population of Formal and Informal Neighborhoods of Kabul

Residential Land Use	Built Area (km ²)	Population	% Area	% Population	Average Density (p/ha)
Formal	32,66	531,000	31	18	163
Informal	71,56	2,442,000	69	82	341
Total residential area	104,22	2,973,000	100	100	285

Source: Author's compilation based on World Bank figures

Estimates by the World Bank show that informal settlements covered 70 percent of Kabul as of 2004 and accounted for 80 percent of its population of three million at the time, a figure repeated often in the following years that must have only increased since then (see table 3).⁵¹

As is clear from the statistics presented in table 3, the density of inhabitants in informal areas can be more than double that in formal areas; some estimates report that “the average density in a fully built informal settlement could reach 400 people per hectare.”⁵² Such density varied across the city: 51 percent of the families living in the Central Bazaar area of the Old City lived in a single room of 15.5 square meters on average; only 3 percent of families in the neighborhood of Khairkhana lived in comparable conditions.⁵³

Informal settlements have prevented a major homelessness crisis, allowing city housing to keep pace with the arrival of displaced persons and returnees, but at a price. Most of the land developed informally was state land either occupied by squatters or allocated—with varying degrees of legal façade—to land developers and construction companies belonging to powerful individuals with political support. Unmanaged growth has exacerbated existing problems such as lack of sewerage system and inefficient disposal of waste. Poorly constructed houses in limited-accessibility or even disaster-prone locations, bereft of public services, have compounded the hardship of the returnees, economic migrants, and internally displaced who populate these areas. A 2006 survey showed that 60 percent of Kabul families were living in informal areas without services, versus 30 percent in Mazar and 25 percent in Herat.⁵⁴ Thus “vulnerability has increased as informal settlements have spread, and acute and chronic needs for basic services and livelihoods have merged almost indistinguishably.”⁵⁵

How to address Kabul's informal settlements has been extensively debated. The competing claims between the municipality and the MoUDA have created confusion over who has authority to plan and who is ultimately going to decide the fate of the informal settlements. The municipality has resumed implementation of parts of the old master plan—mainly concerning road building—and opposes recognition of newer unplanned settlements on the grounds that it would endorse illegal processes and attract more people to seek this type of accommodation. Although it is difficult to conceive of the possibility that the municipality would engage in demolishing large parts of the informal existing settlements (see box 1), this position increases the uncertainty of residents living in areas that were developed in violation of that plan. The MoUDA, on its part, has for a long time chosen not to develop a new comprehensive master plan but rather to focus on its pet project of the New Kabul City.

If the Afghan side shows little certainty and less initiative, the debate among international experts seems to support the idea of recognition and upgrading the majority of informal settlements to a more formally recognized status. The World Bank noted early on that private investment in informal settlements was a private investment in fixed capital of \$2.5 billion, not including land value, and thus part of Kabul's urban wealth.⁵⁶ Regularizing informal settle-

Box 1. Evictions In and Around Kabul

Evictions of illegal residents in Kabul, and more generally in Afghan cities, do not seem to be as frequent as the many instances of land usurpation and occupation would suggest. The memory of Shirpur, the site of a major eviction of local residents to make room for luxury buildings and guesthouses owned by the new political elite in 2003, has left a lasting impression. Technically, that land grab was an eviction of illegal settlers to restore the area to its legal owner—the Ministry of Interior, which promptly decided to distribute the land to its officials and other institutional figures. According to some foreign experts, however, few instances of eviction have occurred in recent years, and in many cases were met with resistance by squatters.⁶² Although communities appear cohesive enough to effectively mobilize and force the authorities to a negotiation, evictions have taken place. One such was reported in Deh Mazang, where the long-time occupation of a plot of commercial land was overturned following a push by local representatives to convert it into space for a clinic without compensating the previous occupant. More traumatic are evictions from the “wild” suburbs of the city: at least such a case is reported in the informal settlement of Chaman-e Babrak in north Kabul, where in August 2010 a VIP used his bodyguards and threats to enforce the displacement of a dozen families of returnees who had long been settled there.* The Kabul police have also clashed frequently and violently with Kuchi settlers in the eastern areas of the capital during evictions or protests against evictions. In such cases, the more removed and unsettled nature of the area and the bigger interests at stake played a role. The presence of private interests behind the threat of eviction was expressed by residents of the informal settlements of PD 10, who mentioned a potential further expansion phase by the Shahrak-e Arya development as their main related concern.

* Amnesty International, “Fleeing Conflict, Finding Misery: The plight of the internally displaced in Afghanistan” (London: Amnesty International, 2012), 58, www.amnesty.org/en/documents/ASA11/001/2012/en/.

ments would be an incentive for residents, who presently are not confident that they will be considered the legal owners of their homes, to commit resources to improve construction and maintenance standards. Legal tenure has been termed a “pre-requisite of service delivery, it facilitates asset building and livelihood security, and is therefore a key step towards reducing urban poverty.”⁵⁷

Others have cautioned that land titling would not automatically result in tenure security and have downplayed the importance of other formal processes facilitated by official legal titles—such as bank loans—in the Afghan context. Regularizing tenure would, on the other hand, entail a tacit endorsement of the land grabs that have occurred. Although it could have ethical justifications in the case of homeless or destitute people, it would risk also condoning millions of dollars’ worth of land speculation schemes carried out by developers and politically powerful individuals.⁵⁸ Critics also argue that, in older unplanned settlements, local residents are given security of tenure by customary titles to their property and by an established local leadership of community representatives.⁵⁹ In many informal settlements, the sense of tenure security can be generated by the resident’s political or communal affiliation with a powerful patron linked to higher echelons of the government rather than through formal title.

Informality alone does not seem to prevent the provision of services if a particular settlement is strong enough to lobby successfully: “The extent and quality of public services depend on the power of the community, their financial capacity and how much they are able to lobby for services.” In view of the problems faced by residents of some formal parts of Kabul, such as the Old City, experts have warned against the creation of a false dichotomy of rich-formal versus poor-informal and suggested that that focus be replaced by one on economic vulnerability.⁶⁰

Dealing with Kabul’s informal settlements is fundamentally a political rather than a technical question. The municipality’s developmentalist approach aims to influence many aspects

of citizens' daily lives through controlled city planning, whereas critics who seek to "increase the choices of stakeholders and counter the top-down tendencies of centralized" planning end up reinforcing the extreme laissez-faire development of Kabul's urban landscape.⁶¹ Despite various examples of successful, high-standard privately managed developments, private-sector development on the whole has often been unable or unwilling to address many significant issues. These include avoidance of construction in disaster-prone areas, respect of infrastructural standards, inclusion of green areas and recreational facilities, and adherence to minimal guidelines concerning space, style, and landscape. Even in the more affluent neighborhoods recently built in the center of the city, the lack of interest in providing common facilities or in paving side and back alleys is all too evident. The same lack of care is visible in Kabul's landscape and architecture. This architectural shambles is changing the face of the city for the long term as it feeds into a broader cultural and social crisis. The impact of strained approaches to planning and managing the city landscape, combined with other related factors, such as the influx of foreign money, has rendered Kabul's land and housing market dysfunctional and unstable.

Real Estate

Uncontrolled urban expansion based on a market dominated at the top by foreign donor money has not only created a huge rift among residents of Kabul in terms of their housing quality, but also grown into a real estate bubble difficult for the middle class to cope with and predicted to likely burst soon. This has not happened yet, though prices are declining significantly. Nevertheless, individual investors have continued to build. In January 2015, twelve thousand apartments were still under construction, equating to more than 50 percent of the current occupied apartment stock (22,900 units), a much more prominent percentage than in other cities.⁶³ As late as November 2015, the stone was laid for a major land development scheme, a project meant to house eight thousand families in three, four, or five-room apartments near the airport.⁶⁴ Neighborhood ethnographic visits and telephone interviews with property dealers in April 2016 reveal that newer markets and landmark business projects have moved to the comparatively safer areas of Kabul City, such as Karte Se, Jamal Mena, Karte Ma'murin, and Qalah-e Fathullah.

The main factors influencing prices are the neighborhood and its status and the specific location within the neighborhood. The cost of land also changes significantly, by as much as half, between formally recognized and informal areas of the same neighborhood, even when they are endowed with similar infrastructure (see table 4). The same happens between properties

Table 4. Samples of Price Changes

Location	Status	2011		2014	
		Main Street	Not Main Street	Main Street	Not Main Street
Pul-e Sorkh (PD 3)	formal	100,000	75,000	100,000	70,000
	informal	50,000	20,000	35,000	10,000
Jamal Mena (PD 6)	formal	75,000	65,000	70,000	55–60,000
	informal	25,000	20,000	15,000	12,000
Karte Mamurin (PD 6)	formal	80,000	65,000	70–80,000	60,000
	informal	18,000	12,000	10–12,000	10,000

Source: Author's compilation based on interviews

Note: All figures are in U.S. dollars.

located on the main street and those set away from it, the biggest difference being in informal plots off main streets, which are likely to be on steep hillsides and unserviced.⁶⁵

The type of housing and the land title involved can also make some difference, fired bricks costing more than mud bricks and legal titles certified by the municipality carrying a higher price than customary ones.⁶⁶

The arrival of foreigners in 2002 changed the real estate market overnight, monthly rental prices of a house in the Wazir Akbar Khan neighborhood jumping from \$200 to \$5,000. The announcement of a drawdown of U.S. and NATO forces from Afghanistan, however, did not affect the housing market of Kabul immediately. Only in 2013 did apparent signs of stagnation in the market begin to appear. More recently, individual political events have started to play a role in determining market trends. Residents of several wards reported that sales and purchases slowed during the protracted refusal of the outgoing Karzai government to sign the Bilateral Security Agreement with the United States and during the disputed Afghan presidential election of 2014.

The Kabul rental market is enormous. According to a study by the Afghanistan Research and Evaluation Unit, only some 18 percent of Kabul households owned their own home in 2007. Government statistics from a 2013 survey appear much rosier, at 67.2 percent. Even based on this data, however, Kabul the city lags far behind the rural districts of the province, where the percentage of household-proprietors is usually more than 90 percent.⁶⁷ In the absence of rental laws and protective social policies—the Karzai government never used the Office for Prices Control to impose rent caps, despite related requests—rates for rental housing have been climbing until very recently, and even now show less of a decline than housing sale prices do.⁶⁸ This could seem strange given the degree to which foreigners influenced the rental market. However, because Afghan middle-class or low-income families are a completely different market, they are not affected directly by these developments. Less affluent households usually cannot afford to relocate and must find a place to rent and live no matter what. Prices rose as much as one-third during political crises, such as the electoral impasse of summer 2014, because frightened landlords were apparently trying to squeeze as much cash as possible from tenants.

The plight of tenants has been complicated by the presence of foreigners during the last decade. Foreigners on the lookout for cheaper and quieter neighborhoods—that is, those still off-limits to large numbers of foreigners—have changed the economic profile of neighborhoods by moving there. As early as 2002, the NGO coalition group ACBAR (Agency Coordinating Body for Afghan Relief and Development) launched a petition warning that under increasingly free-market conditions NGOs were causing inadvertent harm to poorer Kabulis through competition for housing. Foreigners chased the middle class from one corner of the city to another over the decade that followed. Even less affluent neighborhoods often became a target for gentrification as soon as successful rehabilitation and upgrading projects were carried out elsewhere.

Residential complexes, called *shahraks* (townships), have come to characterize Kabul's landscape more than anything else. These developments can be private or public, but public housing projects targeting the less affluent strata of the population—in the footsteps of the successful *microraisons* built from the 1960s to the 1980s with Soviet assistance—have been few in number or not sustainable.⁶⁹ The Ministry of Refugees and Repatriations established two such projects intended to host returnees: Barikab, covering 2,500 acres and including a potential 3,349 plots, and the smaller Mamozai, covering 300 acres and including 507 plots (later expanded to 900).

Residential complexes, called shahraks, have come to characterize Kabul's landscape more than anything else.

However, these projects have been in areas as far as fifty kilometers (thirty-one miles) from Kabul and do not have road infrastructure, facilities, or basic services. Many homeless families who had been living in shabby conditions in Kabul agreed to relocate there, only to find themselves cut away from any possibility of earning a living. In 2010, barely five hundred plots were being used by 350 families in Barikab; the second township was still empty.⁷⁰

Most shahraks are privately developed for commercial purposes. In view of the constant immigration of people from rural areas to Kabul, the internal relocation of the city's social groups, and the arrival of thousands of foreign workers, the demand for shahraks has never dwindled. They are the most common reinvestment for local businessmen.

Shahraks can be highly distinctive in shape and style, such as the modernist lines of Shahrak-i-Arya on the Airport Road, or no more than a bunch of assorted houses grouped together in blocks, such as Shahrak-i-Massud facing Shahrak-i-Arya. A common feature is the presence of some—usually basic—services and infrastructure, an original owner and developer, and quite often a set of favored first buyers—either belonging to a specific economic or social group, or with political, tribal, or personal links to the owner-developer. State-run projects aimed at providing accommodation at accessible prices to civil servants do not fare better in this respect, and allotments are often hijacked by high-ranking officials who favor relatives and clients. For example, a middle-low income residential scheme partially aimed at government employees was hijacked by high-level state officials when the list of the allotments was decided based on bribes paid by employees. Most of the plots went to directors or the higher echelons of each department, and some powerful ministries and the presidential office received far beyond their share.⁷¹

Popular perception in Kabul has it that most shahraks are developed based on land grabs legitimized by the support of powerful state officials. Clearly, construction of shahraks has become a favorite activity for those with political connections, and scores of politicians, seeing the prices of real estate swollen by the influx of foreign money, have taken the opportunity to exploit their official position by joining ventures with businessmen. Land, and Kabul land in particular, has become a choice currency in Afghanistan, together with dollars and opium, and can be used effectively to exercise patronage.

The initial land acquisition for a shahrak is usually from vacant state lands. For example, shahraks were developed in Chamtala, a site in west Kabul originally identified for waste disposal, as soon as the municipality built primary infrastructure there; as a result, however, the waste collection project stalled. Such a sequence of events can also unfold through spurious property documents, outright usurpation, or hijacked land distribution projects. An investigation by the Independent Joint Anti-Corruption Monitoring and Evaluation Committee listed problems the Ministry of Refugees and Repatriations incurred in developing housing projects for returnees: “the distribution of a piece of land to more than one person, pressure on recipients to award building contracts of residential towns to companies belonging to middle-ranking employees of the ministry and provincial directorates of refugees affairs, illegal issuance of ownership documents, interference of high ranking officials in the work of refugee's affairs directorates in order to divert land distribution.”⁷² According to a recent report, rightful applicants were offered a bribe of \$3,500 (in addition to regular fees) to secure their plot, and plots were often sold to outsiders for tens of thousands of dollars.⁷³

Land appropriation schemes usually involve exploitation of landless and desperate settlers by the powerful, whether ministry officials or populist leaders. In some examples from the eastern suburbs of Kabul, the often announced but seldom implemented government policy of

Land appropriation schemes usually involve exploitation of landless and desperate settlers by the powerful.

distributing land to impoverished Kuchi nomads was exploited by the community's political elite. They would organize mass land occupations by fellow Kuchis and then establish themselves as referents with the government to mediate the allocation of at least part of the land or alternative plots, and then distribute it according to their inclination or simply sell plots to the highest bidders, whether Kuchis or not. Some Kuchi leaders have thus been able to reap double benefits in terms of direct economic gains and an improved political standing vis-à-vis the government and their constituency.⁷⁴

South of Deh Sabz, another area on the outskirts of Kabul, Bagrami District, has also seen land grabs and subsequent disputes. A major conflict there pitting local residents, land developers, and government officials against each other reportedly cost as many as nineteen lives in 2013. Violence erupted when residents protested against two developers from Kabul who had started to sell plots of a 273-*jerib* (136.5-acre) property they said they had purchased from the heirs of a local villager. The protesters, led by the village council head, a former mujahideen commander, claimed that the land was their common pasture. To complicate matters, government officials maintain that the land in question is part of a broader 800-*jerib* plot used as a training ground by the army that belongs to the Ministry of Defense. In addition, the Afghan Investment Support Agency (AISA) has made its own claim to the contested land, revealing that a 2006 presidential decree made available some three thousand *jeribs* of military land in Bagrami and designated it for the building of industrial parks.

The complexity of rival claims to land ownership in and around Kabul has sometimes been referred to as one of the main motives behind the idea of planning and developing a completely new Kabul in an area comparatively free from such problems.

Master Plan

The need for a New Kabul master plan has long been highlighted by all those involved in planning and managing the urban environment. However, when the new plan was finally released in 2009, under the auspices of the JICA, it focused mainly on an area outside Kabul, specifically, the Deh Sabz basin, some twenty kilometers (twelve miles) to the northeast of the city center.

The idea of a satellite town in the area was not new. President Karzai had already established an independent board for the development of New Kabul City—among other things, blocking the sale of land in the area by presidential decree. With the addition of the project to turn Barikab into an agricultural green belt, the board became the Dehsabz-Barikab City Development Authority (DCDA). JICA was then asked to provide financial and technical support for the preparation of a master plan for the larger Kabul metropolitan area. Submitted in July 2009, it focused largely on development of the new city, planned to expand to more than five hundred square kilometers (just under two hundred square miles) and to accommodate one and a half million inhabitants by 2015.

The project—estimated to require \$80 billion in investments—is a grandiose one. According to the plan, the importance of the new city clearly transcends that of a satellite for Kabul:

The functions that may be located in the new city include defense and security related administration, domestic and international trade, international business and financial services, conference/convention, R&D for all the sectors, higher order social services, and recreational and sporting functions. All of the administrative functions related to construction and development may better be located in the new city as it will be the location of major and continuous construction activities for a few decades to come. Head offices of international contractors and logistic industries may also locate in the new city. Industrial estates should be established for the construction related industries such as construction materials, machinery and engineering as well as consumer goods industries.⁷⁵

As a recycle-oriented eco-city, Deh Sabz (whose name inspiringly sounds like *green village* in Dari) would ease the demographic and traffic burden of Kabul without replicating its flaws in terms of overcrowding and pollution. According to the planners, the inclusion in the project of the agricultural Barikab area would create additional market opportunities for local villagers, whom the project guarantees not to evict from the area.⁷⁶

Early criticism of ideas for a new city appeared, for example, in the World Bank's Urban Policy Notes series. It questioned the high costs of developing new areas, especially in terms of infrastructure development, given that 80 percent of Kabul's settled population had inadequate access to infrastructure and the absorption capacity of Kabul could still be exploited.⁷⁷ Furthermore, ethical and political arguments have been raised against the plan: "The official plan to build a new city on the outskirts of Kabul, the New Kabul Master Plan, may exemplify a free-market capture of the urban reconstruction project and reveal a clear prioritization of profit-oriented urban development, catering to the aspiration of local elites, over an urbanism preoccupied with meeting the overwhelming needs of devastated populations."⁷⁸

Given that a number of years intervened between the first conceptualization of the new city, the realization of the master plan, and the timid start of actual work in the area, and considering the size of investments required against the background of international disengagement and declining money flows in Afghanistan, the question of whether this project will materialize at all may be legitimate. Whatever the odds in favor of or against New Kabul City, large segments of the political elite and economically powerful in Afghanistan strongly support the idea, probably with a view both to create a better place to reside in for themselves and to profitably act as land developers and middlemen. The rejection of the revision of the master plan made by International Consultants and Technocrats (an Indian company) in 2008, which, in line with the World Bank's prescriptions, suggested focusing on in-filling empty areas of the existing city rather than building a new site, first showed the commitment of sectors of the Afghan government to the idea of New Kabul City.

In later years, the determined police response to the security threat posed by the mobilization of informal settlers—especially Kuchis—organized by a local political leader, former Hezb-e Islami commander and current member of Parliament (MP) Allah Gul Mujahed, was another clear signal of the strong interests behind the New Kabul City idea. In May 2013, protesters stormed the inauguration site that DCDA had prepared in Deh Sabz, and on June 24 the police clashed heavily with Allah Gul's supporters, killing nine of them. Contracts to start work on phase one of the project were signed in late 2013 between DCDA and Afghan and international land developers, and the construction of the first fifty-seven thousand housing units was supposed to start in April 2014.⁷⁹

Creating an entirely new capital is arguably not an idea imported from elsewhere, but instead a reoccurring approach of new governments, in Afghanistan as in many other countries, and a highly symbolic one. In this region, it was typically associated with notions of independent sovereignty, affirmation of personal power, and nation-building. Historically, Afghan kings, from Ahmad Shah Durrani to Amanullah, engaged in building a new capital as soon as they ascended to the throne, not least as a tool for further reinforcing their power. Such moves could have been necessary because the old site was in disrepair, because of conflict or decay, or the desire was to break away from a previous, hostile environment whose *genius loci* would have undermined the newly established sovereignty. Also, the idea that the most visible embodiment of the state—the capital—began (and hopefully did not end) with their person was a powerful way of impressing their power on subjects in and outside the city. Finally, the reshuffle

of properties it allowed made it possible to readjust spatial geography to the new hierarchy of the regime, and to reward and enrich new allies over entrenched elites.

Mentioning this is no historian's whim: residents of Kabul and Afghans in general have routinely mentioned that Karzai would have greatly reinforced his credibility had he decided to invest in a highly visible, long-term presence in the country—in popular rendering, to build a palace for himself.

However, the symbolic and public value of such an enterprise could be lost on the new Afghan elite, whereas, judging from incidents such as the Shirpur evictions (see box 1), a lesson they seem to have taken to heart is that of redistribution of spoils among allies and its “reshuffling and coalition-building potential” in political terms. Heightened tensions around Deh Sabz by local powerbrokers could in fact have represented an attempt by excluded parties to be made partners of the project, more than outright opposition to it.⁸⁰ It is hard to tell whether such an outcome could help cement the alliance of a broader and more inclusive group of the competing powerbrokers and their patronage networks that form Afghanistan's political elite, and if this could help the chances of the new Afghan government to maintain stability during the troubled times of a political transition by means of the promise of common economic dividends.

Since being sworn in as president in late September 2014, Ashraf Ghani has not often mentioned the New Kabul City project. He has publicly showed interest only in the use of the New Kabul area's groundwater resources to solve the water needs of the capital. His adviser on urban development issues, Yusuf Pashtun, accused “powerful individuals” of having seized up to 40 percent of the land intended for the new city project in order to speculate on its value. Meanwhile, construction seems to have been halted for the time being. The new president has also pledged to convert all city areas in planned sites and, significantly, felt the need to warn that projects like Shirpur will not recur under his tenure.⁸¹

Economic Drivers

In economic terms, Kabul is a city of extremes. Nowhere else in the country can the dual face of Afghanistan's development over the last decade be seen in quite the way it is in the capital. As well as the political center of Afghanistan, the city has traditionally been both the seat of the country's few industries and a major trading hub, in part because of its position at the center of a limited road infrastructure. The physical growth of Kabul has not been accompanied by a corresponding development of its industrial and trading facilities. Indeed, the city's economy has not taken any specific direction in terms of specializing in this or that sector, nor has any sector proved capable of long-term sustainable growth, with a few possible exceptions. The state of employment and urban livelihoods is alarming and poverty is increasingly threatening urban residents.

How does this compare with the impressive overall economic growth of the country? In overall terms, the importance of the private sector grew significantly after 2001, as is shown by the increase in the proportion of the private sector in total investment, which rose from 51 percent in 2002 and 2003, to 58 percent from 2006 to 2008, and to 70 percent from 2008 to 2010.⁸² Certainly the capital has experienced the effects of this growth. This growth is in large part explained by the low levels of the 1990s and the sudden inflow of foreign capital beginning in 2002, sustained over the next decade and further swollen over 2009 and 2010. Thanks to this inflow of billions in international military expenditures, aid money, investments,

Karzai would have greatly reinforced his credibility had he decided to invest in a highly visible, long-term presence in the country.

and remittances, the national recovery from the abysmally low levels of the 1990s was robust: national gross domestic product (GDP) growing at a yearly average of 11.9 percent between 2000 and 2009.

Trends in more recent years are sobering, however. GDP collapsed from a 14.4 percent growth in 2012 to an estimated 3 to 4 percent for 2013.⁸³ The World Bank cited 3.6 percent for 2013, attributing the decrease mainly to the slowdown in private investment and nonagricultural sectors—agricultural production actually reached record levels in both 2012 and 2013.⁸⁴ According to the World Bank, the growth of Afghanistan GDP continued to decline in 2014 and 2015 due to lesser private investment and agricultural production. It is now calculated as around 1.3 percent.⁸⁵ These declines suggest that the slowdown has hit cities in particular, and notably Kabul.

Among the reasons offered, the decrease in 2014 of foreign funding and the uncertainty brought by the political and military transition that affected private investments are the most frequently mentioned. These aside, the failure to develop different productive sectors over the years has also hampered the sustainability of the early growth. A 2011 survey listed access to electricity (68.2 percent), lack of security (35.5 percent), employees' skills (25.3 percent), and access to credit (22.5 percent) as severe obstacles for doing business in Kabul, although communications, access to land and water, and corruption were seen more positively than in the other provinces surveyed (mostly in the country's northeast and Kandahar).

Problems such as insecurity, financing and access to land (unclear titles of property, need for middlemen), financing, corruption, as well as overall insecurity discouraged foreign investors and doomed long-term investment plans. As a result, only short-term economic schemes are pursued and the money earned quickly leaves the country rather than being reinvested in place. A foreigners' demand-driven market lent Kabul many features of a boom town. Although this has been especially true for construction and housing, it is also true—with few exceptions—for services and trade, the two other primary sectors of the Afghan urban economy.

The Afghan private sector is overwhelmingly made up of informal family-owned microenterprises and Kabul is no exception. These are small economic structures with basic pyramidal hierarchies and no human resource, finance, or legal departments; they mostly use temporary employees and daily laborers. According to the International Labour Organization (ILO), small companies of fewer than twenty employees account for 92 percent of the total, and the majority employ fewer than five workers. There are few medium-sized enterprises and only a handful of large firms with access to international markets.⁸⁶ Some traditional institutions have remained in place among these small enterprises: to this day *senf* (class, meaning guilds) and *anjoman* (associations) group artisans and microenterprises and provide for mutual help and collective representation. Still, this remains mostly active at the informal *senf* level: at the full-blown and registered trade union level (*etehadia*), almost nothing happens.⁸⁷

According to some estimates, up to 80 to 90 percent of all economic activity is informal, that is, beyond the writ of state regulations. Informality in Kabul has been characterized as an “informality of indifference” where “economic actors do not suffer a loss if they are currently outside the formal system, nor do they undertake a deliberate cost benefit analysis to decide whether or not to operate formally.”⁸⁸

In the absence of public services delivered by the state or a strictly enforced tax registration system, and of literacy, many economic actors, both employers and employees, may see little benefit to seeking formal recognition. Informality at the political level may make it hard for businessmen and their associations to lobby with the government, but political representa-

tion has rarely been linked to actual policies aimed at benefiting social or economic groups or even the economy in general. Formal policymaking has instead been fully absorbed by other issues, foremost security, and official decisions taken on behalf of the city residents on issues of economy have been few and often inconsequential.

Informality does come at a cost to the ability to access financing through the banking sector, but credit is always available through the traditional, informal channels of the *sarrafi* and *hawala*. Small enterprises mostly borrow cash from their cluster members (not only cash but also machinery and personnel), out of preference but also of necessity.⁸⁹ Bank loans are in fact available only to mid- and large-size entrepreneurs, and usually come at high 15 to 20 percent interest rates with a short term of one to two years. The Kabul Bank crisis of September 2010 threatened to stall the banking sector, which had been experiencing strong growth (though from a very low base). Growth in bank deposits slowed from an annual average of 79.7 percent between 2005 and 2010 to an average of 6.5 percent over the next two years, while the growth of commercial loans, which had nearly doubled annually in the years before the crisis, plummeted to -15 percent between 2011 and 2013.⁹⁰

Employment, Salaries, and Prices

As Afghanistan's metropolis, Kabul is the country's largest workplace. The NRVA for 2011–12 counted more than a million residents of Kabul Province as currently employed (see table 5).

Differences of importance in the categories of employment between Kabul and the national level are reflected mainly by the much larger share of salaried workers in Kabul, given the relative abundance of wage labor opportunities in the construction, industry, and trade sectors, and as shop or government clerks. Self-employment, conversely, is less common than in rural areas, where farmers till their own land. In Kabul, self-employment can include shopkeepers and artisans, those engaged in petty trade and mobile vending, scrap collection, private-public transportation, and even nonmonetary transactions such as *ashar* (essentially cooperation among kin and neighbors) or other forms of collective work. Other informal and irregular types of employment are most likely to be registered under occasional day labor and can include work in construction and brick factories, goods loading, government or international organization cash-for-work programs, and agricultural labor.

The public sector is of major importance for Kabul's job market. The national civil service grew only slightly, from 327,000 in 2004 to 355,000 in 2011. Teachers account for much of the increase and many districts and departments countrywide are understaffed.⁹¹ The capital, however, is home to a well-developed class of civil servants and security force personnel. State

Table 5. Employed Population by Status

	Kabul		National	
	#	%	#	%
Day laborer	97	9.6	1279	20
Salaried worker	479	47.5	1181	18.5
Self-employed	284	28.2	3013	47.3
Employer	9	0.9	59	0.9
Unpaid family worker	138	13.7	832	13
Total	1007	100	6364	100

Source: Author's compilation based on NRVA 2011–12

employment, despite usually offering limited salaries, has the advantage of being more secure than other work. A household survey carried out by the Ministry of Urban Development in 2007 indicated that as many as 28 percent of the workforce in Kabul were in governmental employment, versus 16 percent in 2014.⁹²

Women's participation in the workforce varies greatly by sector and is limited largely to fields such as teaching, cleaning or cooking, and weaving or other textile-related industries, though some young educated professionals are hired by the government and by international or national companies at many professional levels. Most women working outside their home in Kabul are Hazaras, and many returnees from exile in Iran or Pakistan are among them.⁹³ In 2006, the share of work inside the household saw Kabul ranking far behind Herat and closer to Jalalabad. In fact, Tajik and Pashtun households in Kabul seem to share an aversion to women participating in work activities, and the city average is only brought up by the Hazara households.⁹⁴

Child labor is a frequent option for households needing to supplement their income. It is more common in rural areas; girls in towns and cities are rarely employed and their participation decreases with age. A 2007 study found that 22.9 percent of the child population in the provinces under study were working; though significant, these were not among the top provinces nationwide where child labor was common practice.⁹⁵

Many working Kabul children begin between the ages of eight and ten (46.6 percent of the total), and their typical fields of employment are retail trade and motor vehicle repair. Kabul shows the strongest negative correlation countrywide between child work and literacy of the household head.⁹⁶

Kabul has long been the most educated part of the country and before the decades of conflict its educational supremacy was even more clear cut. Kabul is also a magnet for educated people from other areas of the country. The quality of teaching at Kabul universities is higher than in the provinces, and the capital's job market has a greater capacity to absorb educated people in the offices of the government and national and international companies.

At the provincial level, the current literacy rate of the Kabul population older than fifteen, at 55.2 percent, is higher than the national average of 31.4 percent. Male literacy is 71.4 percent (against 45.4 percent nationally) and female is 37.7 percent (against 17 percent nationally). Literacy among the youth, those between fifteen and twenty-four, is 70.7 percent (83.3 percent for males and 56.9 percent for females), much higher than the national rate of 47 percent (61.9 percent for males and 32.1 percent for females).⁹⁷

In 2013, 740,000 children between seven and twelve were attending primary school in Kabul (table 6). Net attendance rates are much higher in the city than in rural districts. Girls' attendance rate drops gradually toward high school even inside the city, but comparison with other districts shows a huge difference in attitude toward education between urban and rural households, especially when conservative or insecure areas such as the districts south of the city or Sarobi are taken into account.

In terms of higher education, Kabul outstrips other Afghan cities in both numbers and quality.⁹⁸ The city hosts four public universities, including the oldest and by far the most important, Kabul University (established in 1930), and as many as sixty-three private universities and other institutes of higher education that developed in the last decade (table 7).

The number of students attending private universities is growing fast, increasing fivefold between 2010 and 2014 and far outpacing that of government institutions (table 8). This is due in particular to the difficult examination, the so-called Kankur, students must pass to access public universities.⁹⁹ The quality and size of these private institutions can differ widely. Some of

Table 6. School Attendance Rates

District	Primary			Secondary			High School		
	Overall	Boys	Girls	Overall	Boys	Girls	Overall	Boys	Girls
Kabul Province	67.6	74.4	60.4	44.6	55.2	36.5	35.4	42.9	27.3
Kabul City	73.1	77.4	68.4	48.9	54.8	42.8	39.1	45.3	32.4
Paghman	56.0	70.0	41.5	34.8	49.0	20.3	27.3	40.1	13.3
Chaharasyab	46.6	63.8	28.4	26.9	40.7	12.2	21.4	33.1	7.8
Bagrami	57.0	68.4	44.9	34.1	46.1	21.3	25.0	35.6	13.4
Deh Sabz	47.6	61.2	32.8	27.4	39.5	13.8	19.4	29.8	7.6
Shakardara	56.4	71.6	40.5	35.7	53.2	18.9	26.1	39.4	11.6
Musahi	36.9	63.4	6.8	23.1	43.8	0.4	13.7	26.2	0.0
Mir Bacha Kot	54.7	68.5	40.1	25.7	38.3	12.8	24.1	35.5	11.5
Khak-e Jabbar	43.2	72.1	10.8	26.4	53.1	1.1	20.5	40.2	0.0
Kalakan	60.8	74.3	48.1	30.5	49.2	12.6	22.8	38.9	6.9
Guldara	48.2	64.7	28.2	22.6	32.6	12.5	17.9	26.2	10.9
Farza	50.0	64.3	34.2	24.7	39.1	11.8	20.0	33.3	5.6
Istalif	54.4	64.6	43.4	30.2	39.5	21.4	22.3	30.9	14.5
Qarabagh	56.9	70.2	42.1	24.8	39.8	9.6	18.1	31.1	3.2
Sarobi	29.5	44.0	11.9	20.2	31.8	5.5	15.3	27.3	2.3

Source: Author's compilation based on Kabul Socio-Demographic and Statistic Survey

Table 7. Students and Teachers in Kabul Universities

	Students			Teachers		
	Male	Female	Total	Male	Female	Total
Kabul University	11,514	3,700	15,214	598	143	741
Kabul Polytechnic	2,511	126	2,637	167	28	195
University of Education	3,143	2,401	5,544	135	49	184
Medical University	1,000	736	1,736	207	39	246
Total public universities	18,168	6,963	25,131	1107	259	1,366
Kardan University	2,816	296	3,112	69	0	69
American University	494	69	563	35	13	48
Dawat University	1,639	631	2,270	115	8	123
Salam University	6,322	304	6,626	160	0	160

Source: Author's compilation based on CSO Statistical Yearbook 2011–12

Table 8. Students in Kabul Universities

Year	Male	Female	Total Public	Male	Female	Total Private
2010	16,546	6,379	22,925	17,843	2,669	20,512
2011	18,168	6,963	25,131	30,202	5,123	35,325
2012	21,046	7,879	28,925	50,124	9,520	59,644
2013	25,152	9,166	34,318	65,992	14,518	80,510
2014	26,315	9,543	35,858	82,707	22,231	104,938

Source: Author's compilation based on Ministry of Higher Education figures

the largest are funded and managed by religious organizations and foundations, such as Dawat, linked to the party of the same name led by Abdul Rasul Sayyaf, and Salam, sponsored by a Salafi organization.

Kabul also has the country's largest population of students from other provinces, who live in dormitories or with relatives in the city and participate in the campus cultural and social life. This makes Kabul the country's principal venue for public debates on cultural, social, and political issues.

Kabul is undisputedly the principal cultural center of the country and the only hub for information propagation at the national level. More than thirty newspapers, a hundred magazines, fifteen television channels, and at least a dozen major radio stations (plus countless minor ones or those connected to TV channels) are based in the city, which also hosts seven cinemas and several film production companies. All of the influential Afghan internet news outlets are also Kabul based. Some private media are recognizably linked to a specific political group, but not all of them, and the quality of the programming of the best type of private media in Afghanistan is far above that of state channels. State media are comparatively weak or outdated, though still followed countrywide, and the government has not sought to establish a strong national media.

What is clear, despite the variance in available figures and the difficulty in interpreting them, the state of employment is far from satisfactory in Kabul (table 9). Some 64.3 percent of the over-fifteen population sampled by a study for Afghanistan National Development Strategy (ANDS) in Kabul said they had some form of paid employment; but the study found that only 32.2 percent of the fifteen to twenty-five age group were employed. In a 2011 survey on the job market, most young employees in Kabul—72 percent—were apprentices or trainees, significantly more than in the other provinces surveyed.¹⁰⁰ Stress on the job market is created by the depletion of job opportunities, the increased working-age population, and the influx of jobseekers from rural areas.¹⁰¹

According to NRVA 2007–08, unemployment and underemployment (working fewer than forty hours a week but willing to work more) rates in Kabul were 10.7 percent and 18.9 percent respectively, aggregating a total 29.6 percent of the not gainfully employed.¹⁰² By 2011–12, these had fallen to an aggregate total of 18.8 percent as many jobless people managed to access the job market during the growth years between 2008 and 2011. This situation partially reversed in 2013 and 2014 because of the drop in investments caused by political uncertainty. In the dire economic conditions of Afghanistan, few can afford not to work, even if it is unproductive work and for few hours per week only.¹⁰³ So, even relatively low unemployment rates do not indicate an overall positive situation but instead tell a story of struggles for survival. In 2006, the median number of days of work in a year for Kabul residents was 131, and 72 percent of the workers were employed for fewer than two hundred days. Only 6 percent (of a sample) were regularly employed, against 32 percent self-employed and 40 percent casual wage laborers.¹⁰⁴

Table 9. Working-Age Population by Labor Force Indicators

	Kabul	National
Labor force participation rate ¹	43.0	49.8
Employment to population ratio	39.1	45.7
Underemployment rate	9.8	16.8
Unemployment rate	9.0	8.2
Not gainfully employed population rate ²	18.8	25.0

Source: Author's compilation based on NRVA 2011–12

1. Ratio of labor force to the working-age population (fourteen and older).

2. Unemployed plus underemployed population

Table 10. Average Monthly Salaries Comparison, 2009

	Kabul	National
Mason	Afs 16,000	Afs 7,280
Painter	14,000	7,163
Carpenter	12,500	7,500
Electrician	13,000	7,076
Plumber	12,000	5,723

Source: Author's compilation based on ANDS, "An Urban Area," 8, annex 13a.

Note: The 2009 exchange rate was roughly 45 afghanis (Afs) per U.S. dollar.

Other observers, such as the ILO, have challenged NRVA unemployment estimates. The recently released findings of a CSO/UNFPA survey carried out in Kabul in 2013 reveal a staggering 64 percent rate of respondents age fifteen and older who did not have paid employment, 35.2 percent who had worked six months or more in the year preceding the survey, and only 0.8 percent who had worked less than six months.¹⁰⁵

The irregularity of opportunities is compounded by its seasonality, not always to the advantage of residents. In the winter, for example, household expenditures are the highest, partly because of the need for heating and partly because of transportation-related price increases in food and other goods. Winter also sees a decrease in opportunities for wage labor. Many residents of Kabul thus have to try to reinvent themselves as hawkers or petty traders. Kabul is also the highest ranked among Afghanistan's provinces in regard to people swapping jobs and the seasonality of job opportunities.¹⁰⁶

The informal and unstable character of much of the job market in Kabul takes its toll on workers' rights as well. Few if any are granted the social or legal protection ideally extended to Afghan workers under the Labor Code of 2006, neither in terms of basic safety standards on the workplace nor against income shocks. The lack of social protection policies is particularly felt in Kabul, where residents may live outside a kinship solidarity group and be left exposed to sudden destitution as a result of income shocks.

Salaries in Kabul are usually higher than in other provinces. This was particularly true for some professions during the construction boom (see table 10).

Obviously, these differences in salaries across regions are relatively modest when compared with the scale of income that affects those working with foreigners. Professions linked indirectly to the presence of foreign organizations, such as computer technicians, are among the best-paid jobs in Kabul (monthly Afs 25,000 on average, roughly \$375); the pay of Afghans working for foreign organizations can be tenfold higher than for those not doing so. Those working with foreigners make up a sizeable chunk of the city's new upper middle class and economic elite. They can earn comparatively more than even high government officials. The latter, however, can reap the same range of benefits—such as office cars or travel expense reimbursements, training and educational facilitation, and so on—and are often in a position to receive substantial additional income or bribes as well as their official salary.

Household Poverty and Vulnerability

Economic disparities in Afghanistan are not easily portrayed using statistics. Afghanistan has among the lowest levels of inequality in South Asia as measured by the Gini coefficient. In 2007 and 2008, this was calculated at 29.7 at the national level and at 27.0 in Kabul.¹⁰⁷ Substantial inequality is also evident in consumption: the richest quintile of the population had

a share of 39 percent of total consumption in 2007 and 2008, the poorest quintile only 9.1 percent. The Gini index has since increased to 31.6, and the share of the poorest quintile of the population in national consumption further declined, from 9.1 to 8.5 percent.¹⁰⁸

The high economic growth rates of past years have not affected poverty in Afghanistan. Although poverty remains higher in rural areas and among the Kuchis, urban poverty is increasing. A recent study found 78.2 percent of assessed urban households falling below the poverty line, about \$1.90 a day.¹⁰⁹ Few signs of socioeconomic stratification among urban residents were evident, leading the authors to the grim conclusion that urban poverty in Afghanistan is pervasive: an overwhelming majority of poor households and a paper-thin urban middle class.¹¹⁰ Urban poverty can be even more dramatic in terms of exposure to pollution, contaminated water, and infections. This negative trend is strongly correlated with migration to the cities and underemployment. Because humanitarian efforts focused for a long time on rural areas, data on urban poverty in Kabul are largely limited to the people inhabiting the Kabul Informal Settlements, recipients of humanitarian aid for the last few years. According to a 2014 survey, using the criteria of Afs 1,710 in monthly income, 77.6 percent of Kabul households live below the poverty line (see also box 2).¹¹¹

Kabul may offer a better job market, if primarily in terms of occasional and unreliable job opportunities, but the cost of living there—housing in particular, but also some food items—is also significantly higher than in other provinces.¹¹² Food expenses can make up half of household expenditure, and rent one-third. The resulting lack of savings and of ways to cope with shocks and emergencies pushes many households to find alternative sources of cash, whether by accessing informal credit or sending a family member abroad to act as a dispenser of emergency cash. Compared with other urban centers in Afghanistan, Kabul residents seem to rely more heavily and frequently on credit to afford basic consumption. In a 2006 survey, for example, 56 percent of respondents said they had taken loans that month.¹¹⁴

Food prices in Afghanistan increased dramatically between late 2007 and early 2008, in particular those of flour and bread, which nearly doubled in a few months. Salaries did not climb with the price rise, severely affecting trade between casual labor and wheat flour and pushing 1.14 million urban residents across the country into high-risk food insecurity.¹¹⁵ Since then, flour prices have been more stable, but, as with all other items of basic consumption, they are still especially subject to the vagaries of the political situation and severe seasonal rises in winter. In Afghanistan, fluctuations in the wheat flour price also depend on prices in Kazakhstan and Pakistan, the main exporters of flour. Kabul does not rank at the top of the food emergency in Afghanistan, but the city imports much of its daily subsistence from the surrounding countryside and from foreign countries, and serious alterations to the inflow of goods shortages of certain food items occur. The government does not have the capacity to store large amount of grain, and has not devised ways of protecting vulnerable households through price controls or a coupon system, as was done with some success—though also in the context of a heavily foreign-subsidized economy—by Najibullah’s government before 1992. On the contrary, the price of other strategic items like fuel is said to be raised artificially each winter by the major importer oligarchs of the sector, who are also part of powerful lobbies with deep connections to the government.

Overall, the purchasing power of urban households has decreased.¹¹⁶ Recently, inflation in Kabul did not fare badly in a countrywide comparison. However, its modest 1.8 percent annual inflation rate for 2013–14 is explained by the collapse of the housing prices (–12.2 percent) and the continued increase of food and fuel prices.¹¹⁷ The annual inflation rate nevertheless has decreased from 1.8 percent in 2014 to 1.5 percent in 2015.¹¹⁸

Box 2. Marginals in Kabul

Kabul streets host a broad range of disadvantaged groups living at the edge of society: street children, beggars, the disabled, widows, drug addicts, and vagrant or gypsy-like groups. Data collected in 2002 showed that thirty-seven thousand children under the age of fourteen were working on the streets in Kabul. Boys were mainly engaged in street selling, and girls would usually gather firewood. More than half had lost their father as head of household, and more than one-third were between eight and ten years old, but only 1 percent reported begging as a source of income.¹ Two years later, their number had reportedly grown to sixty thousand.² In many cases, children are employed by members of their families to beg in the streets. The disabled are also frequently seen on Kabul's streets. There are around half a million countrywide; the support they receive from the state in terms of allowances or medical care is minimal, and many are forced to resort to begging.³ In protest to this lack of attention, in 2011 a group of disabled people occupied part of the area meant for a land development project in Rahman Mina south of Kabul.⁴

Beggars are often organized by what is called a beggar mafia, and are effective at collecting fees from street vendors and the transport sector.⁵ According to Afghan journalists, in a day beggars can make slightly more than ordinary laborers.⁶ Many are said to have traveled from Pakistan for this purpose, though the degree to which this occurs is likely overstated.

Among the marginalized groups, the Jogi and Jat face particularly acute social and economic situations. Kabul hosts several thousands of these formerly vagrant communities, who are akin to the European gypsies. They are often involved in begging, carried out in central and commercial areas of the city by women and children; secondary activities for their womenfolk can include fortune-telling and selling of specific items such as bangles. Men have access only to unskilled and low-income occupations offering no development perspectives for their communities.¹² Given the social stigma and the competition between them and other residents for occasional labor, they are not well perceived by other Afghans. Chronic poverty, inadequate settlement conditions, and low levels of education—because begging is their main source of income, their children are often kept out of school—contribute to perpetuate their low social standing in Afghan society.⁷

Notes

1. "Needs assessment of children working on the streets of Kabul," Terre des Hommes/Aschiana/CSO, Kabul 2002, <http://reliefweb.int/sites/reliefweb.int/files/resources/D63498D2F8994AEEC-1256C01002B7289-tdh-afg-08jul.pdf>.
2. "Common Country Assessment for the Transitional Islamic State of Afghanistan," United Nations, 2004, 41. More recently, the highlights of the Socio-Demographic and Economic Survey reported forty-two thousand children age five through seventeen who were working in Kabul, without specifying their working environment (CSO, "Socio-Demographic," 13).
3. Ali M. Latifi and Obaid Ali, "The Neglect of Kabul's disabled war veterans," *Al Jazeera*, January 4, 2014.
4. *Pajhwok Afghan News (PAN)*, "Disabled People Take Control of Disputed Land," June 28, 2011.
5. *PAN*, "Officials illegally getting money from street vendors," June 9, 2014.
6. *PAN*, "In Kabul children are rented out to beggars," January 4, 2014.
7. Samuel Hall, "Jogi and Chori Frosh communities: A story of marginalization" (Kabul: UNICEF, 2011).

Peace Economy

Among the factors behind the impressive economic growth in Afghanistan in the first years after 2001, the Kabul construction sector figured prominently. However, its full potential for the city's population has hardly been exploited. First, the growth of the construction sector has, from its inception, benefited enormously from international contracts and subcontracts. Major firms awarded the international contracts are often foreign owned and subcontract smaller Afghan companies, diverting part of the money flow out of the country.

A large share of construction materials are brought in from abroad, including most of the cement used in projects. Although bricks used for the average building are locally produced, mostly in the eastern suburbs of Kabul and Deh Sabz District, attempts to establish cement

factories have been unsuccessful. The performance of the main Afghan cement factory—Ghori Cement in Baghlan—has been marred by corruption, lack of investment, and power shortages. After long years of virtual inactivity, the factory today is only partially operative and barely able to supply the local market in northern Afghanistan. South of the Hindu Kush, all cement comes from Pakistan.¹¹⁹

Residents of Kabul have also not fully benefited from the construction job market. Although the construction sector is labor intensive and has supported a significant proportion of urban workers—the sight of men lining alleys in the morning waiting to be picked up by the building yards’ recruiters is common in many parts of Kabul—two factors limit these types of jobs. Most Afghan construction workers are poorly skilled and remain largely casual laborers. Also, because the local workforce does not provide enough skilled engineers and middle managers, most construction companies import workers from Pakistan, India, Iran, and Turkey for job functions that require superior skills.¹²⁰

Moreover, in some cases Pakistani Pashtuns hailing from Khyber Pakhtunkhwa or the Federally Administered Tribal Areas are able to compete with local Afghans for low-skill jobs in the construction sector. They are not hampered by distances or bureaucracy because of their proximity to Kabul and the lack of controls over work permits, and the lower cost of living in Pakistan allows them to work for lower wages than their Afghan counterparts (residents of Khyber Pakhtunkhwa, because they are better educated than most Afghan occasional workers, may also compete for some higher positions). Employment in sectors connected to construction, like work in the *bati*, the brick kilns, is closely controlled by patronage networks: laborers are hired en masse from certain constituencies revolving around locally powerful political leaders, who pocket a share of the (low) wages these workers receive. The construction sector thus only provides unskilled and casual jobs to the mass of urban and peri-urban poor.

Finally, given the type of large-scale construction schemes prevalent in this foreign-money oriented market, and the corresponding shortfall of a low-income housing market, a broad section of the population has been excluded from it. Practices like *ashar* are widespread among the poorer classes of Kabulis—work carried out by members of an extended family or neighbors who help each other in turns to build their houses, facilitated by the simple materials used for traditional architecture.

The most important economic activities for Kabul are in its services sector.

The most important economic activities for Kabul are in its services sector. That share of the Afghan GDP increased from 38 percent in 2002 to 51 percent in 2011, making it the main constituent of national growth.¹²¹ Services also featured as the most common type of informal business in Kabul, far ahead of construction and commerce, in a 2009 study of the labor market carried out for ANDS.¹²² The municipality is unable to deliver basic services, such as piped water, to all Kabul residents, and unwilling to do so in some unplanned informal settlements with logistical constraints. In recent years, according to a resident interviewed in June 2014, private water providers have sprung up and delivered water to hill settlements such as Deh Mazang to make up for government neglect.

Trade is probably the most relevant source of employment in the private sector for Kabulis, although other sectors, such as communications, have registered the most spectacular growth in recent years. The number of retail shops in Kabul skyrocketed immediately after 2001, offering new goods to the market. Bazaars of small shops selling the basics have developed spontaneously along major roads and residential areas, and are the only type of infrastructure that has kept pace with the residential sprawl. Recently, a modern type of consumerism seems to have taken root among the tiny economic elites and middle-class youth, who indulge in shopping

in Western-style malls displaying a wide variety of imported goods. Such stores were originally meant mainly for foreigners but are increasingly targeting a local core group of customers. By and large, however, the sale of food and basic household items in Kabul is still carried out by small shops and street sellers.

The booming expansion described for retail applies to import-export companies as well. The World Bank estimated that the country imported an overall total of \$6.39 billion in goods in 2011. According to the Afghan Chamber of Commerce, 14 percent of these—approximately \$895 million—were food items.¹²³ In 2014 and 2015, the country continued to experience an increase in its value of import, mostly raw materials including machines and equipment and consumer goods, estimated around \$8.72 billion for 2014, and \$7.72 billion for 2015. The highest value of import to Afghanistan is reported to have been 2013, when the country imported merchandise totaled about \$9.6 billion.¹²⁴ However, Kabul Province in general and Kabul City in particular are not only the primary final destination for all foreign goods headed to the Afghan market, but also a hub for further distribution and sale of those goods to the remotest corners of the country. Afghan law allows for a great openness to trade and—with few products taxed above 15 percent—one of the lowest tariff regimes in the region. Trade is therefore thriving and numerous import-export and transportation companies have established themselves in the Afghan capital. They range from major international firms like Mab and Maersk, supplying internationals, to Afghan logistic companies like Ologh Beg Forwarding (freight forwarders), Jawad Omid Logistics (mainly food carriers), Dawar Sad Barg Trading & Logistic Ltd. (general and fuel), and Omar Khayam Sina Group (fuel, spare parts, furniture).

Kabul's export trade is considerably weaker. A few Afghan products are exported but solely to a few regional markets, thus contributing only marginally to economic growth. In 2011 and 2012, the value of imports grew at a rate of 7.4 percent and exports at 2.3 percent.¹²⁵ Afghanistan's balance of trade averaged -\$3.82 billion from 2003 through 2014, and the deficit has steadily increased since 2006. The record low balance of trade was -\$8.52 billion in 2013, improving slightly in 2014 to -\$8.2 billion, and again in 2015 to about \$7.1 billion.¹²⁶ Not only is the gap widening, but the overall value of Afghan exported goods also decreased between 2009 and 2013, and 2014 broke the trend mainly because of the surplus agricultural yield. Success stories in production and export are often only ephemeral achievements or derived from agriculture, where potential is high for long-term sustainability and widespread benefits. Investors, however, apparently consider agriculture a marginal sector and do not always give it all the attention it needs.¹²⁷

A slowly ratified and never fully implemented transit and trade accord with Pakistan—the Afghanistan-Pakistan Transit and Trade Agreement—is partly responsible for the situation. Tough requirements such as bond deposits are meant to discourage time-honored smuggling practices, where goods heading for landlocked Afghanistan (and thus not paying Pakistani duties) are smuggled back to Pakistan through the porous borders. These end up creating additional burdens for traders. Also, Pakistani business lobbies have often pressured their government against the agreement, some to preserve the benefits of smuggling, some for political reasons and fear of Indian economic penetration.¹²⁸ Although the Afghan national unity government has reached out to Pakistan and several meetings about the implementation of the agreement have taken place between the Afghan Ministry of Commerce and its Pakistani counterpart, the agreement has not materialized because of bilateral geopolitical and security dynamics. As of 2016, Afghanistan wants to renegotiate the agreement and Pakistan insists on

several aspects of it, including the inclusion of Tajikistan, but recent meetings did not produce any tangible result.¹²⁹

Afghan industrial production has also been hampered by several factors. The cost of raw materials and energy, the limited availability of skilled laborers, the lack of protective government policies, and alleged dumping practices through subsidized production and trade by neighboring countries all added to the problems of a traditionally limited list of exports.¹³⁰ Whatever the reason, the failure to develop the Afghan manufacturing industry as per early post-2001 expectations, especially in Kabul, is irrefutable.

The Afghanistan National Development Strategy of 2008 mentioned “scaling up and maximizing” industrial parks as a short-term solution to industrial growth in the country. These parks were to provide investors and entrepreneurs with “security, access to land, infrastructure (power, water, convenient transport) and some insulation from red tape and corruption, at least on an ‘enclave’ basis.”

After 2004, the Afghanistan Investment Support Agency was transferred the responsibility for managing existing industrial parks from the Ministry of Commerce and Industry, through the creation of an Industrial Parks Development Department.¹³¹ In Kabul, the agency has since tried to develop an industrial park in the Bagrami area southeast of the city. A first phase, funded by the U.S. Agency for International Development (USAID), has been completed and is reportedly hosting thirty-two active production facilities, including a Coca-Cola bottling plant, and by late 2013 a second phase was waiting for donors to join.¹³²

The main types of industrial establishments in Kabul are food production, printing presses, dry fruit processing, glass production, disposable containers, stitching and handicrafts, carpet industry, iodine salt, plastic production, mineral water, dairy production, pressure cookers, ice cream and cooling services, ball bearings and carton making, and nonalcoholic beverages (see table 11).

Parks have not been organized according to specific production criteria and separate areas for goods production have not been specified, although AISA has developed a master plan for that and is reportedly trying to implement it. Light industries are far more numerous and active than heavy industries, which are almost absent given the need for large facilities and resources.

AISA complains that, although foreign donor support has been critical in most projects (including some entirely funded by USAID, World Bank, USAID/provincial reconstruction teams, and the Task Force for Business and Stability Operations), the roles of the Afghan state and private sector have been quite weak. The Deh Sabz Industrial Park (Sabz Industrial Company) is the only park established by private investments, whereas usually the interest of domestic investors in industrial parks has been attracted by the initial investment by foreign donors.

Despite AISA’s claims that the Bagrami industrial park has had an important positive effect on employment and investment, it is apparent that the efforts at scaling up industrial parks in Kabul have enjoyed only limited success between 2004 and 2012, and have afterward somewhat stalled in the face of the ongoing transition.¹³³ Talks about more industrial park projects in the Greater Kabul area, such as Logar and Parwan, seem far-fetched; the long-planned one in Kamari, in the southern outskirts of Kabul, is currently blocked by a land dispute.

A particular failure has been the inability to suitably develop the processing of agricultural produce and its selective export. This sector should have been the object of a major focus early on, from the government side to guarantee food security. The country still lacks a thoroughly

Table 11. Industrial Parks in and Around Kabul

Name	Location	Date	Donor	Status
Jumah Mohammad Mohammadi (Bagrami)	Bagrami	2005	USAID	small enterprises, different types of industries, thirty-two active production facilities, donors still required for expansion to next phases
Pul-e Charkhi	PD 17	1980s	government	270 companies, only some 150 actively producing
Kamari	PD 22	2013	World Bank through AISA	not active, current property dispute after MP Allah Gul Mujahed allegedly usurped and sold land plots
Gusfand Dara	Bagrami District, right out of the borders of PD 22	still in planning	government	not yet active
Deh Sabz	Shahrak-e Pirozi, PD 19	planned since 2004, recent land allocation in 2014	privately owned	belongs to Deh Sabz Industrial Company

Source: Author's compilation based on interviews

functional establishment for production of iodized salt and the rural population in many areas still uses raw substandard mineral salt.¹³⁴ Given the readiness and ability of foreign donors to support agriculture and the existence of some valued Afghan cash crops with a regional market, potential was relatively strong for agricultural produce exports. The lack of adequate food-processing and storage facilities and the high spoilage rates prevented Afghan products (with a few notable exceptions) from becoming competitive even in the national market, which is dominated by the cheaper agricultural produce of Pakistan, India, Iran, Kazakhstan, and China. The causes are as much in the flawed trade agreements as in internal factors: investments in agriculture would have comparatively modest economic returns and would need long-term investments and regular land acquisition, because fertile agricultural land usually has well-documented property claims, unlike barren or pasture areas. Both the private sector and the government therefore neglected agriculture in favor of other more lucrative sectors more directly linked to international organizations and funding.

The lack of competitiveness in Afghan production has recently been exacerbated by the termination of the few attempts at the subsidized production of certain goods, such as military clothing items, which had often started as pilot contracts with the international troops. As war journalist Matthieu Aikins remarked in 2013, the only business that flourishes and seems to be a safe investment for businessmen in Kabul is wedding halls.¹³⁵

The resulting trading-dominated economy is not productive in that it includes no long-term investment in infrastructure or industries. Entrepreneurs gravitate toward quick-return activities and the profits are accumulated and reinvested outside the country.¹³⁶

Entrepreneurs gravitate toward quick-return activities and the profits are accumulated and reinvested outside the country.

In this bleak scenario, many consider development of the mining sector to be the best hope for mitigating the impact of reduced foreign spending on Afghanistan's finances. The announcement that Afghanistan could hold mineral resources worth a trillion dollars (three trillions including petrochemicals) was made around the time the transition timeline first appeared, in 2010, and rosy prospects of becoming a rentier state thanks to mining investments have often resurfaced since. Beginning in 2010, the Afghan government has increasingly played the mining potential card to counter pessimism about its long-term economic stability, and to lure foreign companies to invest in the country, with various degrees of success. However, the two pioneering mining projects—Hajigak iron ore in Bamiyan and Aynak copper in Logar, among the largest investments in Afghan history—have been stuck in quagmires that arose from bureaucracy, property issues, lack of infrastructure, and insecurity. Eventually the Indian and Chinese consortiums that respectively awarded the two contracts had to wait, rethink, or scale down their involvement.¹³⁷ Moreover, the mining law passed in August 2014 has been deemed flawed and likely to result in corrupt practices in awarding contracts and local violent competition for resources.¹³⁸

Even if successful, mining projects would have multifaceted effects. The development of a prosperous mining sector would create a revenue bonus for the Afghan government, and the huge infrastructure investments needed would benefit the construction sector and allow a smooth redeployment of many construction workers. In the medium term, estimates are that the mining sector could contribute up to 5 percent of annual growth. However, large investments (from \$6 to \$15 billion) in mining and infrastructure development are needed in the coming years to exploit the sector's potential, and the Afghan government does not seem capable of achieving this quickly.¹³⁹

Kabul is the most natural destination for the ore extracted in both Hajigak and Aynak, and would work as the seat of most establishments connected to the second site, which is approximately only fifty miles from the city. Within Kabul Province are other mining areas, the most remarkable being that of Jagdalak in Sarobi District, which yields a famous ruby.

In the probable absence of economic and environmental safeguards for local communities, Kabul would be the sole major beneficiary of a mining rush because foreign companies would be based there, and they and their mining establishments would depend on Kabul-based companies for logistics and services. Also, the partial or complete processing of the minerals would be another source of occupation, provided that foreign companies were encouraged to invest in in-country processing.¹⁴⁰ Small enterprises could also be involved, as in the case of the cutting and polishing of the Jagdalak rubies, which is nowadays done in Pakistan, where they are smuggled illegally. It could be argued that exclusion or displacement of rural communities, together with damage to their land or their hydric resources, would further fuel the settlement of destitute communities around Kabul and that the jobs made available by the mining sector could barely counter that. Altogether, the development and potential outcomes of this sector are still highly unpredictable.

War Economy

Political scientist Barnett Rubin anticipated in 2000 that “ending war in Afghanistan might transform the criminalized war economy into an even faster-expanding criminalized peace economy. Whoever rules Afghanistan, the incentives for misgovernment are nearly irresistible.”¹⁴¹ Developments after the fall of the Taliban in 2001 soon proved him right.

Although real peace was to be denied to the country save for a respite of some two to three years when fighting was localized, the purported peace economy that developed was indeed both criminalized and inextricably linked to misgovernment. Money flows generated by the drug trade and corruption possibly exceed lawful economic activities.

Kabul, despite lying far from the main opium production regions, was from the start at the center of this economy. First, the new scenario brought decisive changes in the spatial behavior of the political elites. The civil war of the 1990s saw the politico-military leaders entrench on their respective territories after failing to form a united government in Kabul, and exploit mostly the resources of those areas or the funding of rival regional countries. After 2001, these leaders came together in a relatively comprehensive alignment to form a new government that benefited greatly from a shared source of external funding. The physical place was the city of Kabul, and the glue that kept the many former bitter enemies together was a share of the money being pumped into Afghanistan's reconstruction. This share consisted of high-profile salaries, bribes, and other benefits such as the possibility of influencing contract tenders from international donors or state-owned enterprises to firms belonging to their families or to perspective political allies.

As well as the seat of the new centralized state institutions, the capital became the natural entry point and hub for most of the international organizations building their presence in the country. It thus also became the headquarters of Afghan companies active in the fields more relevant to the presence of foreigners. A few sectors thrived: military-related projects subcontracted by foreign companies to local partners, usually with a private militia or political background; government projects usually subcontracted to insiders, the relatives of officials, or other interested parties in exchange for hefty kickbacks; and a mushrooming private sector, which used both legitimate and dubious resources to fund larger-scale commercial and residential developments.¹⁴²

With the build-up of foreign troops across the country within the provincial reconstruction team framework, and the rekindling of conflict and insecurity between 2004 and 2006, logistics and security became prime economic sectors. More "peaceful" sectors of the new rentier-reconstruction economy blurred with a new conflict economy, where foreign spending was influenced more than anything else by the security situation in the outer provinces and the need for stabilization.

This situation did not downsize the political and economic role of Kabul, but instead put the capital city at the core of the war economy as the safest place to live and invest one's money for the long term. Conflict entrepreneurs from war-torn provinces, having amassed huge capital (by diverting much of the external funding through administrative corruption, illegal protection rackets, or international drug trafficking), began to move a large part of it to Kabul and spend it there. Reasons could be grounded in business, politics, security, state coercion, or simply status; generally speaking, growing more sophisticated, they would seek to transfer part of their wealth into more secure and legitimate assets and to a less volatile environment; those who could not manage to take capital outside the country would invest in Kabul, mainly in the capital's booming construction sector. Smaller and less controlled businesses, like the import and sale of vehicles' spare parts, were also used by drug traders for money laundering.¹⁴³ With the exception of Atta Mohammad Noor in his northern fief of Mazar-e Sharif, which enjoyed better security than the capital, almost every provincial strongman opted at some point to relocate part of his business, if not his person, to Kabul.

The typical career of a prominent provincial strongman would lead and strongly encourage him to accumulate enough wealth and enemies in his home turf to be able to seek a political career in Kabul. The first parliamentary elections of 2005 and perhaps even more so those of 2010 appeared to offer the perfect justification for leaving one's home province yet retaining and—in the most successful cases—increasing one's economic interests and patronage network there, ideally having it managed by close relatives. The worsening security at the periphery and the increased need for lobbying at the center to guarantee the success of one's business fortunes favored this process during the first decade of the new Afghan institutions, influencing in due course the composition, working dynamics, and efficiency of the Parliament and other government bodies, as well as the perception of these state organs among the population.

Apart from the provincial *nouveaux riches*, Kabul received another class of entrepreneurs of a less rough origin, sometimes even members of powerful families during the rule of the last Afghan king (Zahir Shah, 1933–73) or of the Afghan diaspora coming back from the United States or Europe. They founded import-export companies, banks, and international shipping companies. Through these, they offered their services to the political elite by laundering and transporting money out of the country. Gradually, these financial businessmen also became closely associated with the world of politics, though not directly seeking official positions, but instead through business partnerships or family relations: Abdul Ghafar Dawi, for example, head of oil importer Dawi Oil and one of the main debtors in the Kabul Bank scandal, is married to Shukria Barakzai, a vocal and influential MP from Kabul.¹⁴⁴

The surge of NATO troops and economic aid to Afghanistan between 2009 and 2011 further increased opportunities for corruption and economic schemes based on political-economic compacts, thus reinforcing the shared interests between political and economic elites, criminal networks, and in some cases insurgents. Many acts of violence ascribed to ideological political violence—either to that of insurgents against pro-government leaders or originating in past rivalries between the old mujahideen factions—were also readable in the direct competition for control over licit and illicit sectors of the economy. Likewise, when not spurred by economic liaisons, political alliances were usually cemented by them. Holdings were formed to expand a range of activities and profits, but also to become integral to other powerbrokers' interests and thus to secure participation in power and business compacts. Horizontal holdings are the Ghazanfar and the Azizi, busy in banking and in the import and distribution of fuel.¹⁴⁵ The Watan Group is a prime example of the range of activities that such conglomerates could engage in while benefiting from a close connection to political elites. Owned by two cousins of Hamid Karzai, Watan companies are involved in risk management, telecommunication, construction, logistics, fuel, and steel production—basically everything (legal) that is profitable in Afghanistan. The Kandahari-Panjshiri entente that ruled Kabul and Afghanistan for more than a decade was similarly embodied in the partnership of Mahmud Karzai and Haseen Fahim, brothers of the president and his first vice president, respectively, in the now defunct Afghanistan Investment Company.¹⁴⁶

Major business enterprises are deeply intertwined with political networks and depend on bribing and lobbying state officials either to launch or to secure any major contract or administrative step, such as in the rise (and collapse) of Pamir Airways: "Passing bribes in exchange for government services is standard practice across Afghanistan. For every plane that Pamir registered in Afghanistan, it had to pay a bribe to the Ministry of Transport and Civil Aviation just to get the ministry to do its job."¹⁴⁷

At the same time, the more connected among these businesses enjoy a range of benefits, from contracts to the possibility of evading fiscal and accountability controls to hampering and obstructing the work of rivals. Also, the highest echelons of the state have been keen on intervening on behalf of businessmen who had been targeted by national or international investigations.¹⁴⁸ The recent reappearance of Khalil Ferozi—convicted for being one of the authors of the Kabul Bank fraud, the gravest financial crime in Afghan history—at the head of a major land development project proves the resiliency of such business connections, no matter what the governing coalition looks like.¹⁴⁹

Outright coercion and threats of violence are not absent from the picture, even for Kabul-based businessmen, because some boundaries are firm, such as not competing directly against rival companies closely aligned or owned by major political personalities, especially those with a jihadi background, given their armed retainers and influence over security forces.

The political aspect of the competition, regardless, is all but ideological: all sides seem bent on occupying positions of authority in Kabul and bringing the primary sources of revenue under their control. Kabul has been described as a “parasitic bubble economy,” emphasizing the role that foreign aid money play in it and the undue benefits that these “kleptocratic” elites derive from it.¹⁵⁰

As mentioned, most of the wealth amassed by political elites in fact disappears abroad. Transnational economic networks have been efficient in that regard. New Ansari, for example, a major money exchange firm also connected to the former chairman of Afghanistan United Bank, was blacklisted by the U.S. Treasury in 2011 after a U.S. Drug Enforcement Agency investigation showed that it had transferred billions of dollars out of Afghanistan on behalf of narco-traffickers.¹⁵¹

It is no surprise that many of the major shipping or transport companies were at one point or another accused of illegally transferring cash or even smuggling opium by Afghan anticorruption units and the U.S. agencies that had trained and supported them. This was the case in 2013 with Kam Air, another private airline owned by Zmarai Kamgar, a close associate of Rashid Dostum, the newly elected vice president.¹⁵² Indeed, the flow of capital out of Afghanistan makes up a substantial portion of Afghanistan’s GDP. In an interview, a United Arab Emirates customs official said that it had received about \$1 billion from Afghanistan in 2009. An American official, however, said the amount might be closer to \$2.5 billion—about a quarter of Afghanistan’s GDP at the time.¹⁵³

However, Afghan journalist Mujib Mashal argued that, except for the extremely rich, “the entrepreneurial class tends to keep much of its cash within the country’s borders, and to redistribute much of it to the community.” He provides the example of Hikmatullah Shadman, a former translator and trucker contractor for U.S. troops in Kandahar who has now settled in Kabul, runs a company that imports energy drinks, and sponsors several philanthropic projects.¹⁵⁴

It is difficult to overstate the role of the city’s political centrality in its economy, even at a broader level than a small elite. The presence of state institutions and international organizations alike provide Kabul residents with much of their direct or indirect sources of earning. These are not challenged by other major economic hubs because Kabul is not characterized by a highly specialized job market for smugglers or opiate traders as are cities such as Kandahar or Jalalabad. Businessmen involved in such trades live or keep offices in the capital—because as mentioned the city is instrumental in opportunities for money laundering and transferring profits abroad—but cross-border smuggling or opiates trade with Pakistan or Iran is hardly the

Kabul has been described as a ‘parasitic bubble economy.’

main economic thriving force behind the city's wealth. Kabul's population depends heavily on the influx of foreign money to the capital, from NGOs or state employees to shopkeepers or traders in consumer goods.

The sheer amount and growth of international aid to Afghanistan alone explains its implications: from an annual \$200 to \$300 million during the Taliban years of the 1990s to \$1.5 billion in 2002, \$5 billion by mid-decade, and \$16 billion in 2010, when it equaled Afghan GDP. Foreign transfers dwarf domestic revenues on the order of eight to one.¹⁵⁵ By way of comparison, annual domestic budgetary revenues increased from –\$100 million in the early 2000s to more than \$1.5 billion in the mid- to late 2010s; meanwhile, opium annual gross revenues increased from –\$1 billion to \$3 billion over the same period.

Many analysts see this imbalance as contributing to the country's problems. Given the changes aid money have brought to the management of the country, and despite having smoothed the acceptance of a central government overhead, the imbalance has reinforced the role and power of regional leaders and allowed many of them to maintain their networks of armed retinues and political clientele, with no guarantees about the future employment of these assets. The situation has prevented the state from achieving even a limited monopoly of violence, quite apart from the Taliban and other insurgent threats.

Also, unlike under the monarchy, most of the largest financial flows have been outside direct government control. Patronage from this system has been personalized and transaction-based, showing little to no institutionalized patronage like that organized around political parties. The dynamics of related factional alignments have proven particularly fickle and divisive. Whereas in Kabul arrangements among the main powerbrokers resulted in an accepted balance of power and hierarchical share of the spoils, armed competition among factions often broke out in their provinces of origin.

City Management

As mentioned at the outset, management of the capital city is complicated by the number of government bodies concentrated there and by the overlapping of their responsibilities and authorities. The governor of Kabul Province plays a largely symbolic role, given that the strong municipality and the directorates and departments of at least thirty-six ministries or other independent state organs constrain his powers relative to other provinces. The provincial governor in Kabul is nonetheless a high-ranking position that has been used as a reward to senior allies, or as a position at which to keep close aides in preparation for future appointments. Haji Din Muhammad, a long-time Karzai ally from the powerful Arsala family of Nangarhar, was governor from 2005 to 2009. Zabiullah Mujaddedi, son of senior anti-Soviet jihadi leader Sibghatullah Mujaddedi, was appointed after him but resigned in 2011. The next governor, Abdul Jabbar Taqwa, was a senior politician from northern Afghanistan, a one-time member of the Jamiat-i Islami party who had connections to the former royal family and to Karzai; he was not seen as very active and was replaced by his deputy, Mahboobullah Mohibi, as interim governor in March 2015.¹⁵⁶ In October 2015, Hamid Akram, a senior former head of protocol of the presidential palace with an educated, well-to-do background, was appointed.¹⁵⁷

The Kabul Provincial Council does not have a prominent role in administering the province, let alone the city. Among its responsibilities are overseeing development projects in Kabul and the budget of the province, offering advice to the governor, resolving tribal and family quarrels, fighting administrative corruption, and monitoring poppy cultivation, unacceptable customs (such as forced or under-age marriage), and protection of ancient relics and state

lands. Its authority, however, is limited to conducting investigations and passing on its findings to the Meshrano Jirga (upper house of Parliament) to take action. Council members complain that neither the government nor Parliament wanted to strengthen the council or to increase the limited resources and infrastructure at their disposal. Despite the building craze in the capital, the provincial council office remains based in its old location, sharing space with the Kabul police headquarters, the governor's office, the Kabul detention center, the Kabul appeals court, and defense lawyers' offices.

Throughout Afghanistan, provincial councils are discrete but usually effective milieus for entrenching local power, and bitter disputes can arise over their chairmanship. Their importance is reinforced by their being present locally and more easily accessible by the public than the distant members of Parliament from the province. In Kabul, because alternatives are numerous, the council is only one channel that individuals and communities have for political lobbying or favor-seeking. Its role is still relevant for rural districts of Kabul Province, though, and petitioners come on a daily basis to see the council members, making it rather crowded and chaotic.

In terms of composition, the council includes several successful businessmen from rural areas of the province who moved into the city and former middle-echelon civil servants or middle-ranking military officers (which in Afghanistan can easily mean retired generals) who could muster enough support to get elected. The rest are intellectuals, some experienced teachers, and a few young leaders. Altogether, perhaps a dozen members of the twenty-nine are younger than forty. A few have been elected on a narrow agenda and support base by the residents of particularly cohesive city neighborhoods; others seem to have landed there by chance and to have no real constituency.

Members of Parliament tend to be more high profile and well connected. With its thirty-three seats in the Wolesi Jirga (lower house of Parliament), Kabul has by far the most MPs of all provinces in Afghanistan. These mostly hail from the city; only six come from a rural district. Kabul's position as a political capital may explain its comparatively higher proportion (roughly 50 percent) of MPs, relative to other provinces, who claim affiliation with a political party. Former mujahideen feature prominently among them, providing fifteen of Kabul's thirty-three. Many are professional politicians or businessmen who settled in the city only recently, often coming from rural areas around Kabul or neighboring provinces, or sometimes from far-away regions. Some MPs have a power base of their own, built on political, military, or economic assets depending on their background. They can usually count on the votes of a large immigrant community originally from their home areas or on economic-driven support. Many heavyweights of the top political elite of the country opted to run for Parliament from Kabul. Until they resigned for reasons related to the electoral campaign of 2014, jihadi leaders Yunus Qanuni, Abdul Rasul Sayyaf, and Muhammad Muhaqqiq were serving with former presidential hopeful and top civil activist Ramazan Bashardost.

Former mujahideen commanders like Amanullah-e Gozar, Izatullah Atif, and Anwar Khan Oriakhel (and Allah Gul Mujahed), mainly hailing from the Shomali region north of the city, have long been among the main powerbrokers in and around Kabul, and are keener to exploit their position to defend their local interests. Others are well-connected figures from prominent families inside the government or private sector, such as Shir Wali Wardak, brother of long-term Minister of Education Faruq Wardak, and Shukria Barakzai, wife to Abdul Ghaffar Dawi, a major industrialist and owner of Dawi Oil. Kabul MPs sometimes act as facilitators and multipliers of attention and investments in projects in specific areas of the city,

The council is only one channel that individuals and communities have for political lobbying or favor-seeking.

whether in their own interests or on behalf of their constituency. Community representatives reported that they have recourse to “their” MPs as a last resort, should approaching the municipality, line ministries, or humanitarian agencies fail. The prominent statesmen among them, though primarily interested in politics at the national level, do not refrain from involvement in local issues, lobbying for their constituencies to be allocated infrastructure and development programs. Given the fragmented nature of parliamentary politics in Afghanistan, however, Kabul MPs seldom act in concert.

Finally, the ministry most directly involved in city management is Urban Development Affairs, which is officially responsible for developing national urban policies and preparing master plans. However, as detailed earlier, the ministry has conflicting positions with the city municipality on planning issues.

Kabul Municipality

Compared with newer institutions created after 2001, KM has a longer and much more established presence. First instituted in 1924, it has never stopped working and much of the best practices and experience there are preserved, some of the staff having held their positions since the time of Muhammad Daud Khan (1973–78), first cousin of the last king. KM was not fully taken over by the “winners of the moment” in 2001, whether Northern Alliance leaders or diaspora technocrats. The causes for that may have been a less coveted range of positions and salaries, and the challenge of occupying it stably and replacing the bulk of its workers (numbering 3,105 in 2002, and 8,005 in early 2015). Basically, it was a task too advanced for commanders and too “hardware” for technocrats. It is possible that its long history and lower profile, which make it more detached from policies dictated by levels of foreign support, have also helped prevent KM from being overtaken by the MoUDA, which is arguably more modern and better connected with foreign donors. Also, that in 2003 President Karzai appointed Ghulam Sakhi Noorzad as mayor of Kabul to replace Muhammad Anwar Jagdalak, supported by the Northern Alliance, who had already held the position in the 1970s, possibly reinforced the idea of this continuity.

Its unique legal status has facilitated its autonomy: although the functioning of other municipalities is overseen by the Independent Directorate of Local Governance (IDLG), KM is an independent organ and reports directly to the president. The staff of its twenty-two municipal wards are hired by KM and report directly to the central KM. In other provinces, the mayors are hired by the IDLG and report to governors, who regularly enjoy the power to hire and fire municipality staff. The Kabul provincial governor’s office does not have the same privilege. Furthermore, KM is largely autonomous from decisions made at the level of line ministries.

KM is probably the most important government body that Kabul residents interact with. Occasionally it can act harshly to regulate private activities in the public domain. Small patrols of municipal workers sometimes would, for example, prevent the occupation of public boardwalks and street space by small restaurants and stalls by threatening of judicial action, fining or even immediately forcibly dismantling installations in the crowded Shahr-e Naw area of District 2. The municipality also tries to prevent the worst types of unplanned settlements that disregard safety concerns. However, given its limited ability to take on major powerbrokers and their affiliates, it largely ends up repressing or at least harassing the activities and settlement patterns without political backing, worsening the living conditions of residents and informal workers in the process without redressing the infractions of more organized and powerful groups. Municipality workers have been described as corrupt by some residents, one commu-

nity representative saying, “When we refer to municipality, the first criteria for our proposal to be accepted is to pay some cash otherwise we had better not share our problems with this municipality.”

The mayor is supposed to be elected but instead is selected by the president, and is in turn responsible for appointing subordinate chiefs for the city wards, for whom elections are also not held. (Recently, for example, President Ghani asked political parties and civil society organizations to introduce candidates for KM; these would then have to compete in a public debate and the candidate with the best plan and team would be appointed as mayor.) Wards replicate the central management at a smaller scale but cannot spend the revenue they collect and instead remit it to the central municipal treasury. They provide some municipal services, such as garbage removal. Major services, including road building, are carried out by central departments.¹⁵⁸

The rank of mayor of Kabul is considered equivalent to that of a minister.¹⁵⁹ As many as six mayors succeeded one another between 2001 and 2010, when Muhammad Yunus Nawandesh was appointed to the post. The position is a major source of extra incomes and bribes, and thus is sought after by powerbrokers, but President Karzai’s main concerns in appointments to this position seem to have been to strike a balance between the need to find someone who could work with the municipality and the donors, and at the same time not tackle too directly the abusive behavior of his political allies in the city. Corruption charges have hit more than one mayor—though in at least one instance they seem to have been made up to punish former mayor Abdul Ahad Sahibi for his attempts to tax powerful people’s properties.¹⁶⁰ Nawandesh was forced to resign in December 2014 and has not been replaced. An acting official holds the position.¹⁶¹

After the IDLG drew up and approved the Sub-National Governance Policy in 2010, the ability of municipalities to raise revenue was enhanced. KM is the only one to receive financial support from the central government, in addition to its other revenues and donor funding (see

The mayor is supposed to be elected but instead is selected by the president, and is in turn responsible for appointing subordinate chiefs.

Table 12. Planned and Achieved Revenues of Kabul Municipality, 2011–14

Year	Planned	Achieved
2011	\$2.2	\$2.3
2012	\$2.9	\$1.9
2013	\$3.1	\$3.14
2014	\$3.1	not yet estimated
2015	\$3.6	not yet estimated

Source: Kabul Municipality

Note: All amounts in billions.

Table 13. Major Foreign Donors to Kabul Municipality

Donor	Amount	Remarks
World Bank	\$90	This budget is allocated to KM based on its annual plan through Ministry of Finance for implementation of KM's development projects during five years
JICA	\$30	
UAE	\$30	
Turkey	\$30	

Source: Kabul Municipality

Note: All amounts in millions.

tables 12 and 13). KM is autonomous in yet another respect: it maintains its own income account based on the revenues it collects; other ministries and government bodies are required to remit all their incomes to the Ministry of Finance.

Even though KM drew some criticism from foreign donors because of its defense of the 1978 master plan, donors—especially JICA, the World Bank, and USAID, as well as Turkey and the UAE—have supported its operations and recently engaged with it in an extensive program of reform aiming at improving its revenue-generating and operational standards. KM's main sources of revenue are the taxes based on the provision of public services, such as solid waste collection (*safayi*), fees paid by commercial exercises or transporters importing goods to the city, the rental of the municipality's properties and the issue of licenses and permits.

Sales of municipal land and properties is the largest revenue source, contributing an average of 22 percent of total annual revenues in Kabul (19 percent in the other thirty-three provincial capitals) between 2011 and 2013. *Safayi* and municipality (city) services tax are the two main sources of tax revenue, contributing 17 percent and 14 percent to total revenues in Kabul (10 percent and 9 percent respectively for other cities). Kabul has the highest *safayi* revenue collection of all Afghan cities—an average of Afs 1,182 (\$21) revenue per dwelling.¹⁶²

Between 2010 and 2012, the municipality incurred expenditures of almost 63 percent of the revenue, but executed only 37 percent of it, thus failing to meet the legal requirement of 55 percent of KM's yearly revenue to be spent on local development. The approximate \$19 million left for the city's development budget would give a pro capita equivalent of about \$3.08, extremely low by international standards. The very cost of administering a number of Kabul's revenue sources is greater than the revenue they yield, six of the forty-eight revenue sources generating nearly 82 percent of total revenues.¹⁶³

Kabul is among the very few places in Afghanistan where corporate tax is collected.¹⁶⁴ International organizations, however, found that its municipality was generally weak in regard to identifying taxpayers.

Services

The distribution of services across Kabul and the fees generated certainly have room for improvement. A clear example is given by waste collection: only about 60 percent of the solid waste generated is collected and transfer stations are few and poorly conceived. Chamtala—now surrounded by illegal settlements distributed as plots by land grabbers—has been abandoned as a landfill site; two more sites have opened or are in the process of opening, but will only slowly change the situation.¹⁶⁵ It is estimated that about one million households should be paying a solid waste collection fee—in practice however, only about one hundred thousand households do so.¹⁶⁶ An investigation by an Afghan media consortium in 2013 estimated that 60 percent of houses in Kabul either did not pay the *safayi* tax or bribed municipality workers to have it reduced by declaring lower values for the properties, on a fixed percentage of which the tax is calculated.¹⁶⁷

Interviews showed a variegated landscape, some neighborhoods lucky to have litter collection by the municipality and to not have to pay fees and others that do not pay but get no service save from waste pickers, mainly children or impoverished refugees from war-torn zones in the east and south of the country. Altogether, residents of many neighborhoods—Karte Naw, Wazirabad, and Khairkhana—reported in interviews that, to supplement occasional waste collection by the municipality, they arrange for private firms to clean the area.

Access to services in Kabul largely depends on place of residence.

Access to services in Kabul largely depends on place of residence. Especially in informal and unplanned areas, “residents are expected to negotiate with the municipality or others to secure investments from the government budget...the extent and quality of public services depend on the power of the community, their financial capacity and how much they are able to lobby for services.”¹⁶⁸ The poorer households usually live in the least serviced of the informal settlements, and are therefore forced to invest their small economic assets in purchasing basic commodities—such as safe drinking water—from private providers.

Access to improved water, meaning usually either a protected well or piped water, is significantly higher in Kabul Province than the rest of the country, 78.4 percent versus 45.5 percent. Kabul City fares better than the other provincial districts, 82.9 percent of households enjoying it; the least serviced are mountainous districts like Paghman or Istalif.¹⁶⁹ If only piped water is considered, however, Kabul ranks well behind other major cities—such as Herat and even Jalalabad—although the many informal and hilltop settlements difficult to reach by pipe explain why this is so.¹⁷⁰

Among other basic services, health care has become more easily accessible—49 percent of Kabul households have a medical facility within a fifteen-minute walking distance, and close to 80 percent of women who delivered a child in the last five years benefited from both antenatal and skilled birth attendance—but the costs are still significant for poor households.¹⁷¹ Furthermore, the quality is comparatively low and thus many relatively more affluent households seek medical treatment abroad. A sort of health care exists for those who can afford to travel to the Gulf countries, fly to India, or drive to Peshawar. Of those interviewed, one in five (21.6 percent) had traveled outside Afghanistan to seek care, most (90 percent) heading to Pakistan.¹⁷²

As for electricity, the public grid—which is managed by the state-owned company Breshna—reaches a smaller percentage of the population in Kabul and in other large Afghan cities because some informal settlements are excluded from service. A recent survey put coverage at nearly 75 percent; Breshna company workers estimated between 60 and 70 percent. Breshna’s goal is to extend the coverage of electricity distribution to all of Kabul by 2020. To achieve this, it plans to import more power from Turkmenistan and Kyrgyzstan and to develop a second plant in Naghloo in Sarobi District (to generate 180 megawatts) and another in Shakardara (210 megawatts). A shorter term goal is to extend coverage to southwestern areas of the city, such as Dasht-e Barchi and Arghandi.¹⁷³

Electricity provision in Kabul has generally been coping with increasing demand, but it is far from something that can be taken for granted. Heavy snowfalls over the Salang Pass over the winter of 2014–15 disrupted transmission lines coming in from Central Asia, for example, limiting electricity to only a few hours per day for several months. This resulted in widespread disruption of economic activities and serious hardships for residents who could not afford the use of costly generators. Despite improvements in revenue collection and rating it one of the best performing utilities in the country, a Special Inspector General for Afghanistan Reconstruction audit in April 2013 found that Breshna-Kabul was still not self-sufficient, working at a financial loss, and unable to pay its bills.¹⁷⁴ USAID planned to provide \$157 million to Breshna in direct assistance between 2013 and 2016 to assist with commercialization and capacity building. By March 2014, Breshna-Kabul’s technical and commercial losses remained at about 38 percent, experts agreeing that losses higher than 20 to 30 percent indicate issues such as theft, inadequate maintenance funding, and inefficient operations.¹⁷⁵

Table 14. Household Assets (percentages)

	Kabul Province	Kabul City	Mir Bacha Kot
Electricity	92.6	94.9	73.2
Radio	59.2	56.7	66.4
TV	79.0	87.2	47.2
Refrigerator	36.7	43.7	5.2
Washing machine	42.7	50.0	9.1
Internet	8.0	9.6	1.4
Mobile phone	97.2	97.6	95.4
Computer	28.7	33.1	8.8
Improved sanitation	43.7	53.1	2.6
Generator	11.4	11.0	17.7

Source: CSO, "Socio-Demographic"

Box 3. Road Traffic and Transportation

Kabul has for many years been beset with chronic traffic problems. The slow pace of road building and refurbishment has added to the physical restraints on the communication network imposed by geography and politics. Transportation services are offered to passengers by state-run companies (Milli Bus), by private companies licensed by the Ministry of Transportation, or by private citizens informally operating as taxis. This last form of transportation is now dominant.

Despite still benefiting from fuel at reduced prices, Milli Bus has lost other forms of government subsidies and been self-sufficient since 2003.*

Taxis are divided between those who operate within the city and those who connect Kabul with neighboring districts. The number of taxis has increased only slightly, probably because the Kabul Traffic Department limits the number of taxi licenses, resulting in a shortage over demand. Between 2006 and 2009, taxis increased by only a hundred, from 26,661 to 26,761.

In the same time, however, the number of private cars has grown by 44 percent, from 167,182 to 240,484. For many Kabul residents—recent immigrants who have no other assets, such as real estate or agricultural land—vehicles are a small-scale investment. The number of unlicensed and often occasional taxis has increased accordingly.

The number of vehicles is at an all-time high and, given the cumbersome presence of street stalls and a shortage of parking, aggravates traffic in central parts of the city. Parking in central Kabul, however, has slightly improved in recent years. At the same time, low-quality fuel in old and poorly tuned engines contributes significantly to air pollution.

* Noori, "Challenges of Traffic," 52.

A tally of household assets reveals the core differences in lifestyle between urban and nearby rural residents (table 14, see also box 3). The district of Mir Bacha Kot is the point comparison against Kabul Province as a whole.¹⁷⁶

Local Leaders

Two classes of local leaders serve as a link between government institutions and the Kabul population: members of the community development councils (CDCs) and *wakil-e gozars*, or neighborhood representatives. They have different origins and respond to different administrative needs.

The National Solidarity Program was rolled out in 2003 and helped the government reach out to many rural areas of the country. The program was replicated to some extent in Kabul.

The Kabul Solidarity Program (KSP) has seen the formation of CDCs, also known as neighborhood development councils, to coordinate service requests to the municipal offices. The KSP was launched with a pilot project in three districts in 2011 and soon after expanded to another four. CDCs have recently formed in other districts as well. CDCs are made up of ten members—elected by local residents—from ten clusters of twenty-five households, who in turn elect one chairman, one secretary, and one treasurer. Women as well as men are eligible for election. Women are strongly represented in several CDCs, a retired civil servant and CDC chairman explained in a 2014 interview.

The aim of this program is to involve local communities in the reconstruction and improvement of their areas and empower them to determine their priorities (paving roads, delivery of water, and communal management of solid waste are among the most common choices). The CDC develops a plan listing locally perceived major problems and ways to solve them through external or internal funding. A proposal is developed with technical support by UN-Habitat and sent for review to KM and the Ministry of Urban Development. The KSP receives technical and financial support from JICA and UN-Habitat; the latter provides, for example, basic accounting and procurement training, and monitoring and supervision of the work CDC workers carry out.

On the financial side, donors disburse \$280 per household, which can add up to \$71,000, given that each CDC includes (on average) 250 households. All CDCs formed under this initiative are registered with KM, have a bank account (registered under the names of two to three selected CDC members), and are responsible for their community's development plans. CDCs contribute the rest of the capital to a project, through either money or the labor of the community members. Collective CDC work is partly volunteer and partly wage labor. For some projects, the retired civil servant CDC chairman explained, a few persons can be hired as community mobilizers but their salary is usually low, around \$80 per month. UN-Habitat also helps communities start a sort of social audit, thanks to which they can hold CDC members accountable for their work.

KSP, as observed, not only helps build small infrastructure and generate employment opportunities for the community, but is also intended to help shape a cultural shift in people's behavior and attitude toward self-reliance and a sense of community and individual responsibility to maintain the infrastructure thus obtained. As with rural National Solidarity Program councils, the idea behind urban development councils is that they in time evolve into the lowest level administrative bodies directly elected by residents—though this has so far proven unfeasible for a number of reasons.

The *wakil-e-gozar* are a very different kind of community representative and have been instrumental in introducing the KSP to communities and in identifying active community members who may be well suited for CDC membership. The *wakil-e gozar* is a tradition in Kabul whose origin is reportedly as old as the city. The term *gozar* refers to a residential area with a defined boundary; a traditional *gozar* in Kabul could include anywhere from a hundred to a thousand or more houses. Each of the twenty-two districts of Kabul includes many *gozars*, and each has one or more *wakils* registered with the municipality. Representation is not related to the number of households or the overall population, and in some areas does not seem to be growing accordingly with the number of new residents.¹⁷⁷

Wakil-e gozars are selected among the prominent men of the neighborhood on the criteria of credibility, influence, wealth, and literacy. The selection can be at a meeting of local residents—such as the adult men constituting the congregation of a local mosque—who appoint

candidates by show of hands, or by *nabiya*-level municipal authorities after a would-be *wakil-e gozar* has collected enough signatures among residents. Only in a few cases are secret ballots used.¹⁷⁸ In any case, it is mostly elders and wealthy or influential people who play an active role in selecting this type of representative. Although the position is not hereditary, instances of individuals transferring their role as *wakil* to sons or brothers upon death are not uncommon. The length of tenure is unclear, as is the type or amount of remuneration: one reported having been *wakil-e gozar* for seventeen years (he is forty-seven) and not having had any other occupation since then, Sayyid Hamid, *wakil-e gozar* of Deh Mazang, explained in an interview.

Their main task is that of registering the population and to facilitate the work of the municipality by signing a set of documents, identity cards, marriage approvals, building permits, and so on. They are also supposed to bring the residents' requests to the government. Finally, they record and legitimate purchase, sale, lease, and rent transactions and settle minor disputes. Indeed, a *wakil* acts as a sort of justice of the peace, especially in cases involving female members of a family, who may not be allowed by the household to attend to court. *Wakils* regularly receive payment, anywhere from Afs 300 to 6,700 (\$4 to \$100), for legalizing documents, district residents explained.

Retired military or middle-to-lower ranking civil servants seem to be fairly well represented among the *wakil-e gozars* sampled. Their formal education means that they can get paperwork done and are acquainted with government offices' procedures. Also, that they have usually owned a house in the neighborhood for a long time (often granted when serving the government, whether before or during the Afghan conflict) makes them more stable residents than many transitory ones. It also suggests that several were in the past affiliated with the PDPA, which sets them apart from the more nouveaux riches. The new elite does not seem overly interested in directly controlling the territory through these middlemen, though it has been reported how a weak *wakil-e gozar* may fall under the control of a power-broker and stand in the way of other citizen groups trying to access decision-makers beyond their community.¹⁷⁹

The result is that *wakil-e gozars* do not usually become, either on their own right or as lynchpins in someone else's network, active and locally powerful players: they mainly serve administrative and bureaucratic purposes and the worst of their corruption is petty bribes of locals. This shows the heterogeneous and transitory nature of residency and territorial identity in central parts of the city. In more peripheral areas, where the connection between residents and a given political constituency is deeper, the *gozars* tend to more closely resemble traditional rural village elders endorsed and supportive of a prominent politician or commander who dispenses favors to the community in exchange for its loyalty.

Corruption Among Government Officials

The corrupt practices and abuses of and by government officials affect the lives of ordinary people across Afghanistan, and again Kabul is no exception. Indeed, according to a 2010 study by the UN Office on Drugs and Crime, 60 percent of interviewed adults in urban areas agreed that corruption in Kabul was worse than in other provinces—only 18 percent disagreeing—despite the public perception that corruption in Kabul had decreased over previous years.¹⁸⁰

Illegal transfers of money are a daily occurrence in Kabul at both the lowest and highest levels of government. The daily sum of a few hundred afghanis that street sellers pay police officers and municipality workers hardly compares with the billions of dollars in cash that some government officials send out of the country every year, yet it is petty bribes that affect

Illegal transfers of money are a daily occurrence in Kabul at both the lowest and highest levels of government.

the lives of Kabul residents the most, at least in the short term. Daily extortion by officials hits the poorest sectors of society the hardest, and administrative corruption is a strong disincentive for people to formalize transactions. Residents of Kabul often try to avoid the costs in time and money that obtaining a permit would involve and prefer to build or enlarge their house informally and pay an occasional bribe to policemen or petty neighborhood officials who may question them, a Deh Mazang resident reported.¹⁸¹ At the same time, the continuation of informality puts business owners and citizens engaging in any economic activity under the risk of sanctions by government officials and thus allows for and encourages bribery.

A system that does not ensure that complaints against abuses by officials are transparent and effective grants officials the opportunity for abuse, provided they respect a hierarchy of power shaped more by *wasita* (connections) than by officialdom. In this way, even comparatively powerless traffic agents, themselves often the victims of abuses by the more powerful, can in turn take advantage of at least those drivers who are unlikely to be able to appeal to influential connections. If a car is parked in the wrong place, for example, it can be taken and held at a storage area in Taimani project. This is aptly called Guantanamo parking, because confiscated cars can be held indefinitely, and the longer owners wait to bail them out the worse the situation gets. If the penalty is not paid, the traffic police sell the car for parts.

Appointments are sometimes sought after solely for the opportunity to bribe residents. Some *wakil-e gozars* retain their position for years, interviewees explained, despite protests from neighborhood residents, only through the bribes they pay to the municipality. Besides getting fees from residents, some *wakils* have been accused of inflating the number of needy individuals (such as widows or the disabled) in their communities simply to pocket humanitarian aid from charities.¹⁸² Policemen are also known to extract money not only from shopkeepers or street sellers, but also from criminals such as drug traders and thieves in exchange for closing an eye on their activities.¹⁸³ Some areas of the city, those with major trading or transportation hubs, represent accordingly more lucrative appointments for the police.¹⁸⁴ This type of corruption is particularly worrisome because it both “undermines further the already weak confidence of residents in the system of urban management” and “reduces the prospects for establishing sound taxation systems, thus significantly depleting the municipal resource base.”¹⁸⁵

Low salaries (between \$35 and \$200 per month) and lack of education among government officials, coupled with the lack of accountability and corrupt practices at a higher level, have often been cited as the main causes of corruption. Periodic pushes to fight corruption have largely proved ineffective and resulted in more or less localized punishments of a few officials only. The replacements brought in soon resort to similar practices. Furthermore, anticorruption crusades have become the latest and most fashionable way of covering political maneuvering to be rid of one’s rivals, and periodic and inconclusive smearing campaigns have eroded public trust even in the operations of the High Office of Oversight and Anti-Corruption. Institutional corruption is likely to remain endemic.

Criminal and Political Networks

Kabul’s security was taken over by Northern Alliance militias in late 2001, only some of the policemen who had served under previous governments retaining their positions or resuming them shortly afterward. The sudden influx of thousands of militiamen into the capital city police force is felt to this day. Although many of the fifteen thousand militia-turned-police (as of 2003) were successively decommissioned, such forces constitute the majority of Kabul police today. The most obvious result has been that Kabul policemen for the most part were

not trained as police. Distinction is still made between officials who belonged to a former mujahideen faction (*tanzim*) and professional (*maslaki*) policemen-by-trade who were mostly trained either under Najibullah in the 1980s or, increasingly, under the new government.

As in the rest of the country, Kabul police were for many years asked mainly to perform military duties against insurgent threats rather than to control crime. They contributed to rising crime rates in the city through abuses of authority, factionalism that sparked turf wars for power, and their connivance with criminal networks also originating from a militia background. Not only were many policemen rogues, but a majority were also under the control of powerful political personalities and could become a tool for political shows of force against the government or foreign missions. Security sector reform has been a major focus for the Afghan government and its international backers since 2002, but despite repeated efforts evicting former jihadi commanders from the powerful positions they had reached, officially or behind the scenes, has proved difficult. Marshal Qasim Fahim played a pivotal role in the commanders' network in Kabul and beyond, as first vice president and minister for defense, then security adviser to Karzai, and finally as first vice president until his death in 2014.¹⁸⁶

An example of how the police could be manipulated during the riots of late May 2006 in Kabul, when armed protesters went on a rampage against foreign compounds after a deadly accident in which a U.S. military vehicle crashed in a traffic jam in central Kabul. Most rioters came from the northern part of the city, which observers linked to recent government attempts, strongly urged by the international community, to remove security officials with a connection with the former Northern Alliance. Kabul policemen on the day of the riot either went home or joined the rioters. The new appointments that international partners had developed before the riot were substantially changed to accommodate the commanders' network pressures.¹⁸⁷ A clear sign of this was the appointment of a commander from the Shomali, Amanullah Gozar, previously chief of Kabul's highway police, to the post of chief of police, a capacity in which he then proved to be quite controversial.

The struggle to bring city policemen away from the control of their former militia commanders continued in the following years and was successful to an extent. Technical improvements, such as the electronic payment of salaries to individual bank accounts piloted in Kabul in October 2006, reduced opportunities for officers to skim their subordinates or to create ghost agents on their payroll books, thus decreasing the power of commanders or their interest in such positions.¹⁸⁸ The economic interests of major commanders and powerbrokers had in the meantime diversified and changed, and their aim shifted more to have police on one's side to favor one's business, rather than just to exploit opportunities for making money from fake salaries and bribes.

The struggle to remove former militia commanders or powerbrokers from the top echelons of the Kabul police has been less successful. As a partial counterbalance to the prominence of the Northern Alliance players inside the security network in Kabul, President Karzai typically resorted to occasional appointments of ethnic Pashtuns from outside Kabul. One such individual was Alishah Paktiawal, head of the Crime and Investigative Department between 2006 and 2008, who proved decidedly controversial in his own right.

The relatively brief but effective tenure of Minister of Interior Hanif Atmar (2008–10) saw renewed attempts at curbing the power of the ex-mujahideen networks embedded in the security apparatus of Kabul, which were resisted by former Northern Alliance commanders, who managed to regain control over the appointment of the next two police chiefs. Muhammad Zahir was almost immediately replaced by the new national unity government; Abdul

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Rahman Rahimi, another professional policeman with a PDPA background who had served as police district chief in various Kabul locations, is a Pashtun from Logar rather than a Kabuli Tajik of remote Panjshiri origin.¹⁸⁹ Only three months later, in March 2015, Ghani ordered the reshuffle or removal of seventeen district police chiefs of Kabul on allegations of links with warlords.¹⁹⁰ This move may not change the prominence of the northerners in the city police overnight, but testifies to the importance attached by the new government to the Kabul chief of police position.

Although some members of the new generation of district police chiefs still find themselves under the spell of the old jihadi elite, on the whole, the situation in the police districts has improved considerably from its beginning. Until a set of reforms was introduced in 2006 and 2007, whole former militia units, including their commanders, would often serve in the same police district. By 2016, most of the *hawza* commanders had been rotated or relocated enough to have become separated from their former militiamen, many of whom had in the meantime been demobilized and replaced by new recruits. Until the mid-2010s, the correlation between the ethnicity of a neighborhood and that of its policemen—or at least that of their commander—was nearly direct; by 2016, situations were more diverse. Even before the last major reshuffle, in at least a few cases the commander's ethnic identity was not that of the area's majority residents, including twice when the chief of Pashtun neighborhoods was a Hazara. According to an NGO security analyst interviewed in July 2014, such appointment logics survive inside the Ministry of Interior well beyond the importance that the population attributes to them.

Recently appointed police commanders are all educated and young, reportedly in their late thirties, and have received their training as policemen in the last fourteen years, a Ministry of Interior official explained in a 2015 interview, meaning that they are better disciplined and able to cooperate with each other than their jihadi and even PDPA colleagues. The quality of the recruits and training of agents, however, remains unsatisfactory despite well-intended efforts. As of November 2013, the number of illiterates among the ranks of Kabul police was 4,992, almost half the force; illiteracy in the force countrywide was more dire, 70 percent in 2015.¹⁹¹

The overall size of the Kabul police might not be enough to perform both the guarding duty they are called on for and to expand to more typical police activities. In mid-2009, newly appointed Minister of Interior Hanif Atmar had requested an increase of five thousand in police numbers to strengthen the Kabul police. Then Kabul Zone commander General Ayub Salangi in late 2010 also advocated further expansion of the police force from slightly more than ten thousand to twenty thousand. To this day, however, only ten thousand policemen are deployed in Kabul, an average of around three hundred for each of the existing nineteen police districts, plus more than three thousand in specialized units (City Belt, Gates, Parliament battalions, and so on).¹⁹²

Security

Despite more than a decade of warfare against the government and its foreign supporters, the Taliban have never focused their resources on sustained attacks inside the capital, preferring to strike intermittently at specific institutions or personalities and to convey a general impression of insecurity to the population and to international public opinion. Sporadic rockets fired at night from the surrounding hilltops have hit random spots of the city since the early years of the new government but have not grown more frequent with time. High-profile assassinations, suicide bombings, and infiltration of government offices and public venues by small suicide

commando units have proved much more damaging.¹⁹³ Targeting high-profile politicians in Kabul can be a game-changer in their home provinces, though doubts often linger about the real culprits of the murder.¹⁹⁴

Insurgents rely on a relatively effective network of informers and facilitators to carry out operations inside Kabul. They have often been able to target military convoys successfully, usually using vehicle-borne suicide bombs, especially when the convoys were traveling on major routes such as the airport, Jalalabad, and Darulaman roads. Kabul's diverse and sprawling population—within which the continuous influx of new immigrants and the relocations caused by market evictions have worn out the social fabric of entire neighborhoods—has facilitated insurgent infiltrations and operations. Facilitators seem to reside mainly in neighboring districts bordering Kabul suburbs—such as Deh Sabz to the east, Musayi to the south, and Shakardara to the north—but also have storehouses and hideouts closer to the city center at their disposal.¹⁹⁵

Links to nonpolitical criminal networks have also been used to outsource weapons smuggling through the city's security. Gaps in security are often due to the inability of the common policemen to enforce security procedure in the face of unwilling and intimidating powerful officials or members of the public with strong political connections. This creates opportunities for infiltrations and in turn gives rise to every sort of speculation about the origin of attacks and the level of connivance that the insurgents enjoy inside the government, further sapping the morale of policemen and soldiers.¹⁹⁶

The National Directorate of Security (NDS) has often claimed that it has prevented more major attacks by arresting facilitators and bomb makers in the capital. The capacity of the NDS may have improved, but the tasks it faces in tackling insurgent operations in Kabul are still huge. Its former director, Rahmatullah Nabil, acknowledged the NDS's challenges when he spoke in front of Parliament on December 17, 2014, mentioning that 80 percent of cars in Kabul are registered under the name of the importing companies rather than that of the owner, that around five thousand unregistered armored vehicles roam the city, that as many as 130 illegal armed groups (private militias or criminals) are active in the city, and that thousands of fake licenses for carrying weapons have been issued.

The need for protection has been a major factor in shaping Kabul's landscape from 2001 onward. The massive presence of government installations, international organizations, and diplomatic seats, and their concentration in specific areas of the capital, has created restricted-access areas known as the Green Zone, marked by Hesco walls and the augmented presence of security forces, both national and private. The security of the VIPs among Kabul residents, both Afghans and foreigners, has been to a great extent outsourced to private security companies. The Afghan government tried to reduce their number by establishing the Afghan Public Protection Force, a state-owned company under the Ministry of Interior tasked with taking over responsibility from and partially absorbing the private security companies. The Afghanistan Public Protection Force program was relatively successful in Kabul, although the main security companies active there were able to transform themselves into risk management companies and keep their contracts.¹⁹⁷

In 2014 and 2015, the Taliban carried out massive strikes on Kabul that included numerous suicide bombings. By mid-2016, the city had seen possibly the bloodiest attacks since 2001, though that of July 23 on Hazara protesters was most likely carried out by the Islamic State. Such attacks take a high toll in civilian lives and draw inevitable criticism of the insurgents, but seem to be more effectively shaking the morale of both the government and the popula-

tion than the previous tactic of commando attacks to occupy positions in high-profile parts of the city and engage in drawn-out battles with security forces. In such instances, the Quick Reaction Force and other national security forces would often come to be seen as the saviors of Afghan civilians. Large swaths of Kabul's population, starting with the young and educated, could for the first time identify positively with the country's much maligned security forces. The media also eagerly picked up this narrative and capitalized on it through reporting: for example, when, on June 22, 2015, six Taliban suicide bombers tried to strike the Parliament building but were all killed before they could detonate the bombs, probably by a single soldier. The soldier became a popular hero in the city and his boasting about his feat went viral among Afghans and Kabulis in particular.¹⁹⁸

It is unlikely that the insurgents will ever amass the unchecked military force necessary to take over Kabul unless the political situation in the country completely unravels. Creating insecurity in the city at the moment is mainly to sap government and public morale, scare away foreign organizations or force them to restrict their activities, and score propaganda points to show their rank and file and their international supporters that they are indeed winning the war. As for foreigners' security, until recently, against the background of a conflict going on almost at its gates, Kabul has been a remarkably safe environment for foreign expats to live and work. Although minor strings of consecutive attacks have created legitimate concerns, low-profile organizations not closely connected to or located near diplomatic or military installations have faced no ongoing threat. Unless the insurgency were ready and willing to entirely change the number and scope of its infiltrations, the main potential threat to expat security in Kabul is from riots or organized criminality.

Many analysts and Afghan officials see the main threat of widespread violence in the city as internal, from the criminal and political networks who contend for money and influence rather than from the Taliban. Sudden and uncontrolled urban growth has invariably been associated with rising criminality, and Kabul is again no exception. However, for a sprawling capital swollen with refugees and weapons, where gaps in the livelihoods of the rich and the poor are huge and ever widening, Kabul has been relatively safe for most of the last decade. Crime rates in the city, though, despite ups and downs, have risen consistently over the past few years.

Violent crimes such as murders, home raids, and kidnappings were regular and frequent but reached an alarming level only on a few occasions. After the Taliban's downfall, order was more or less reestablished by the Northern Alliance militias that came to control Kabul. As Afghans of every walk of life began to return to the country or to move to Kabul from rural areas, groups of armed men preyed on them. Kidnappings escalated, particularly around 2006 and 2007; in later years, international pressure and joint efforts at improving the performance of the national police led to the decline, but not elimination, of kidnappings. Kidnapping foreigners for ransom has recently resumed, several incidents being recorded in 2015 and 2016. The links of many kidnappers with one or more political networks inside the government or security forces may have contributed to "regulating" this type of business; if the level of crime was never out of control, it was at the same time difficult for security forces to arrest more than a few of the criminals involved in the more high-profile crimes. Some of the kidnapping business kingpins, such as Rais Khudaidad and Habib Istalifi, were eventually nabbed by the police and—despite fears of an easy escape from the flawed Afghan prison system—eventually sentenced to death and executed.¹⁹⁹

As the most powerful networks moved to more profitable and less visible types of business, from international narco-trafficking to financial speculation schemes, lesser types of criminals

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began to appear on the streets of Kabul. Thefts and snatching have become regular occurrences at night, initially in peripheral or hilly areas of the city, but gradually in more central and ‘controlled’ neighborhoods too. Home raids have become particularly dangerous, as families are confronted by heavily armed criminals; they were particularly frequent, for example, in a central neighborhood like Karte Naw, a resident reported in an interview, until the police took some measures against them by increasing their patrolling at night in early 2014.

The overall situation is changing: according to independent security analysts, reported criminal activity in Kabul increased by 38 percent between 2013 and 2016. Between 2013 and 2014, crimes against foreigners increased approximately 64 percent; the most common were occasional robbery of low-profile foreigners walking in the streets and the slash-a-tire con practiced on major roads close to international organizations or national institutions. Afghan white-collar residents are the primary targets, however: taxi drivers are especially well known to opportunistically and with the help of accomplices rob NGO or government workers. At the gates of the city, transport gangs stalk outbound travelers who seem to carry valuables and rob—and sometimes kill—they once they have reached deserted stretches of road.

Narco-trafficking is an often underestimated phenomenon in Kabul. Although it is true that Afghanistan’s opiates are mostly exported from the country in one form or another, the internal market is constantly growing and Kabul is home to a huge number of addicts, mostly former emigrants to Iran who developed addictions to opium or heroin there while working in the construction sector or in other exploited environments.²⁰⁰ The UN Office on Drugs and Crime estimates the presence of around fifteen hundred drug addicts living on the streets of Kabul, as many as eight hundred squatting under the notorious Pul-e Sukhta in West Kabul. Kabul police forcibly evicted them in August 2015 only for them to come back to the area in the absence of alternatives or of state programs to provide them shelter.²⁰¹ The overall number of addicts in the city in 2013 was estimated at more than one hundred thousand, and drugs were cited as being sold in many residential neighborhoods.²⁰² The Kabul police do not seem to be able to tackle this situation and register only tiny numbers of drug-related crimes. The overall fight against narcotics in Kabul seems to be badly understaffed. Until 2013, the Ministry of Interior’s Counter-Narcotics Deputy had assigned only ten staff in Kabul police districts to counter thousands of drug dealers in the city. Despite pleas to increase their number, a 50 percent staff downsizing has since weakened this department.

Gangs are active all around Kabul, some of the more high-profile operating even in central neighborhoods.²⁰³ These gangs overlap to a great extent with the armed retinues linked to either former jihadi commanders or politicians. They engage in both legal and illegal activities, providing their patrons with armed manpower whenever required. They are not only less likely to be targeted by the police for their wrongdoings, but also part of the social contract that political leaders have with their “natural constituencies” in the city—that is, those with whom they share an ethnic, regional, and consequently political connection, and who are often localized in a specific area of Kabul which constitutes the gang’s territory. This is typical in peripheral areas of the city, especially where the settlements of newcomers to the city are more ethnically homogenous.

In more central areas, no overall clear-cut political control of the territory has been established. Some neighborhoods, however, identify as a political constituency and may mobilize as such; these connections appear to primarily be driven by the direct presence of leaders of a political group in a given area, and thus to the patronage this specific group can provide. Powerbrokers have sometimes played, and more often have threatened to play, the card of mass

protests in order to pressure the government or foreigners. They have until now been careful not to push too far when acting in this way in Kabul, however. The powerful fear the disruption that would come to their business and assets were Kabul to sink into street violence. The powerless—that is, the jobless youth—may be a bigger threat. Some join criminal gangs simply to edge out a living; others join radical religious groups active in public protests.

Political Trends

As the historical capital, seat of national institutions, and primary hub of the international presence, Kabul holds a major strategic value for all political groups in Afghanistan.²⁰⁴ Afghan governments have historically proven able to withstand the loss of control over several provinces but still remain in power by firmly holding on to Kabul; relatedly, factions that could not stably secure control of Kabul were unable to claim recognition as the country's rightful government.

Because of its extremely mixed population and its sheer size, Kabul has never experienced the hegemony of a single strongman in the way that other urban centers of Afghanistan have, a strongman who might build a local power base and a network structured on ethnic or political solidarity beyond patronage or shared economic interests. The city has always been fought over by rival factions, though at times these were officially part of the same government, or ruled with an iron fist by outsiders, resented by a majority of the local population.

The most recent paradigm of power has seen the rise of one group that vied for the control of Kabul in the 1990s, the Northern Alliance, evolve into a compromise between them and the heterogeneous network that gradually coalesced around the core supporters of Hamid Karzai. The latter was initially bereft of any military force, at least in Kabul, but increasingly able to use other institutional assets to make allies, negotiate, or fight with uneasy partners. This Kandahari-Panjshiri entente was only rarely seriously tested within Kabul, something that spared the city much internal strife between 2006 and 2014. At the same time, neither of the two constituents of this alliance managed to win long-term support from the Kabulis. Karzai, despite his early appeal to urbanites, did not show any interest in promoting and creating more stable political networks of support among the city population. He instead opted for trying to secure allies in almost all other provinces, if not to gain control of the area, at least to balance local strong networks that might have opposed him.

Specific segments of the city population proved slightly more cohesive and were called on for mass mobilization at a handful of rallies, few of which had a major or lasting impact, however.²⁰⁵ Possible exceptions are the rallies held after the brutal killing of seven civilians in Zabul Province in November 2015 and in protest against an international powerline that would as proposed skip over Hazara-inhabited areas in the central highlands of Afghanistan.²⁰⁶ In both cases, the issues and the participation involved mainly—though not uniquely—Hazara residents. A number of Kabul's Hazaras, historically lower-class laborers in the city, have now become a highly educated group self-aware of their role in local and national bureaucracy and politics. Despite a certain sophistication among the broader Hazara constituency, most Hazara politicians still belong to and behave like the old generation of politicians of the civil war period. They often proved fickle in their political gaming during these and previous crisis, taking strong ideological stances at first to galvanize their supporters but then engaging in patronage-oriented bargaining and last-minute shifts on deals at the leadership level. That their own natural constituency, Kabul's Hazara youth, are increasingly critical of them is remarkable.

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Younger generations of Kabulis have grown weary of this model of social and political action. The broader differentiation of the city's economy relative to many other Afghan realities and the importance accorded to education have diminished the psychological impact of the war economy on at least part of the city's society, and its effects on the aspirations and perspectives of youth have been less overwhelming than elsewhere. In Kabul, a class of qualified people working as professionals in the tertiary sector and especially in media, education, government, and NGOs have benefited from the opportunities offered by the international intervention and the efforts at reconstructing the country in a more stable way than those in other Afghan cities. It is in Kabul that they have come closer to constitute a recognizable social class, or at least a segment of society with its own environment, codes, and aspirations. Kabuli youth have had models of professional growth and self-realization different than most of their fellow Afghans have had, and their aspirations may be much more similar to those of their peers in other countries.

A recent report on youth politics in Afghanistan identified several types of political movements, some of which can be described as Kabul-oriented.²⁰⁷ The first is political parties led by established politicians who advocate a progressive agenda and seek to expand their support among youth, exemplified by Haq wa Adalat (Rights and Justice), established in 2011 and whose figurehead, Hanif Atmar, is currently national security adviser in the new government. The second involves parties also linked to old-time politicians who have relinquished control to a new generation of leaders. The example of Hambastegi (Solidarity) shows how this change has not always rendered the party less ideological: the political stance of the new leaders has been staunchly leftist and opposed to the presence of foreign troops.²⁰⁸

Such small liberal and progressive parties with a mainly urban base find themselves again junior partners in the political system, as in the 1960s, but no longer dominated by a centralized and cohesive state apparatus, instead by strongmen with regional sources of power who are willing to co-opt them to gain in political depth and secure Kabul's votes not already linked to ethnicity or patronage. Whereas organizations or party branches in the provincial capitals are busy carrying out basic outreach and securing member support by delivering otherwise lacking services, Kabul-based organizations are chiefly concerned with influencing policy by acting as think tanks.

This is true particularly of a third group of organizations, which educated youth have established—in particular, Afghanistan 1400, Afghanistan Analysis and Awareness, and Afghanistan Forward. Despite their limited memberships, these get the most international attention, being located at the core of the capital's politics and because many of their members are part of the government or of international or media organizations and have access to foreign diplomatic circles. Given their youth, some of them still depend on senior family members and may therefore be identified with a political faction other than a youth organization. This, and the lack of a mass political structure around them, prevented them any cohesive role in the recent presidential election. The protracted election of 2014 in fact brought a temporary halt to their activities as members took part in the electoral campaigns of different candidates, and the economic base of their potential supporters has been hard hit by the economic slowdown that followed the foreign drawdown.

The unprecedented opportunities for education, communication, and association since 2003 also gave rise to groups that substantially challenge the current government with a radical Islamic and antidemocracy stance: “widespread frustration with a government seen as corrupt, partisan and too dependent on the West, something that has led segments of the educated and

entitled-feeling youth to turn to Islamic activism as an alternative to the current socio-political system.”²⁰⁹ Groups like Jamiat-e Eslah and Hezb ut-Tahrir are seeing steady growth in Kabuli youth membership and are increasing their public visibility by staging protests and gatherings.

Hezb ut-Tahrir is a mainly campus-born group active among both students and lecturers. It advocates for a caliphate as the sole appropriate polity for Muslims and carries out its activities in a quasi-clandestine way, especially after a police operation led to the arrest of militants in July 2009 for their anti-electoral activities. In Kabul, in particular, Hezb ut-Tahrir keeps a low profile and generally refrains from public debates. Despite this, the capital has the country’s largest group of Hezb ut-Tahrir supporters after that of northern Badakhshan Province.

Jamiat-e Eslah has also its strongest presence in Kabul. Drawing inspiration from the Muslim Brotherhood and Pakistan’s Jamaat-e Islami, the group established itself in Kabul in 2003 and is very active in campuses and mosques; it also runs its own high schools and universities, such as Salam University in Kolola Poshta. Its members are mostly under thirty and described by a Ministry of Interior official as youth who have completed their education but have no professional prospects. The group also has its own media in Kabul, including a radio station. Although Jamiat-e Eslah forbids its members access to high-ranking government positions, it seems that some officials are nonetheless affiliated with it.

Along with other Islamic activists, members of the mujahideen party Hezb-e Islami youth branch are also active in Kabul universities and in touch both with the registered branch of this old mujahideen party and with its armed faction still waging war on the government. Salafists are loosely organized in many groups, are present in educational institutions, more often enrolled in religious subjects than the other groups discussed, and rely on both their preaching networks in several mosques and mass media. They are generally less politicized than other groups and refrain from engaging openly in political debates. Although initially not popular in Kabul, Salafism was established in the capital after the migration of people from Nangarhar or Kunar, where Salafism took firm root in the 1980s, and after a madrasa was established in 2004.

The ability of these activists to stage rallies has been demonstrated several times in recent years, usually on occasions associated with perceived offenses against Islam by foreign countries or by the Afghan liberal media. Kabul had had Islamic protests before, but recently pro-Taliban and pro-Hezb sympathizers seem to have been outnumbered by Hezb ut-Tahrir supporters. Jamiat-e Eslah’s gatherings were usually well organized and exclusive; the group’s female supporters for example in 2013 held a protest against the Elimination of Violence Against Women law.²¹⁰

A concern common to other Afghan areas is that the present growth of Sunni Islamic activism can precipitate unrest and violence between Sunnis and Shias. The Salafis in particular are critical of public displays of Shite devotion, such as those on the occasion of the Ashura, which have grown considerably in size. Kabul’s sizeable Shite minority was the target of a deadly suicide bombing attack during the Ashura celebrations of 2011, then claimed by the offshoot of a Pakistani anti-Shite organization, and in 2012 violence between Shite and Sunni students on the Kabul University campus led to the death of a Shite student.²¹¹ The tragic attack against a primarily Hazara manifestation in Kabul in late July of 2016 seems to be part of the focus against Shias by the Islamic State, whose main centers in Afghanistan are in Nangarhar Province. Shite-Sunni relations in Kabul are still characterized by mutual respect and tacit acknowledgement of each other’s ceremonial specificities.

With their cell structure and a universal message that transcends local situations, and thanks to their stable access to external funding and revenue-generating activities inside Afghanistan, religious activists seem better positioned to expand their activities in a more systematic way to all Afghan provinces than described secular groups. It remains to be seen whether the two more dynamic organizations, Hezb ut-Tahrir and Jamiat-e Eslah, can in the future convert their pan-Islamic ideology and propaganda into a more concrete influence over Afghan politics.

Conclusions and Recommendations

Economic life in Kabul since 2001 has been strongly tied to the presence of foreign entities and associated foreign funding, and thus the city has been deeply affected by the changes in the scale and scope of this presence since 2014. Security considerations shape investors' behavior, and the ongoing security transition has a corresponding impact on the economy. According to some Afghan businessmen, the construction sector started to slow down as soon as the timeline for the 2014 international troops withdrawal was announced. As a business analyst at the Ministry of Commerce and Industries recalled in a June 2014 interview, "In recent years, especially by mid-2010, the scenario of the transition process has represented a sort of impending tragedy for those engaging with business and investment in Afghanistan....Experience teaches Afghans that a scenario of withdrawal would be accompanied by a decline in international development assistance."

According to an AISA program manager interviewed in June 2014, dozens of production facilities in the Bagrami industrial park stopped operations after foreign donors withdrew their involvement. The number of companies looking for investment in Kabul's industrial parks fell by some 90 percent from 2013 to 2014. Foreign investments in the country declined by almost one-third in 2015, from \$390 million to \$270 million in the first half of the year alone.²¹² By late 2015, Kabul had the least favorable business conditions and confidence in the business environment among major Afghan cities.²¹³

The long electoral impasse of 2014 also had a negative impact on the business climate, as did other developments, both political and security.²¹⁴ As violence became more common, numerous guesthouses, restaurants, cafes, and other businesses either shut down or relocated. Major attacks on high-profile targets escalated. That the insurgents had overcome their leadership crisis was clear.

To counter an already pessimistic business environment, a new investment policy was approved in mid-2013. Valid for two and half years, it sought to drive development in five key economic sectors: industry, export promotion, agriculture, construction, and mining. Government expectations were that the privileges offered under the policy would attract new investors, prevent domestic businesses from relocating abroad, create sustainable employment opportunities, increase confidence between government and the private sector, and alleviate concern about the economic consequences of reduced international aid post-2014. The incentives included "providing land at almost no cost to industrialists, seven-year tax exemptions for factory owners and 10-year, low-interest loans for farmers, as well as one-year multiple entry visas."²¹⁵ By May 2015, although the government had provided some subsidized land for industrial development, most of the incentive package had yet to be implemented.²¹⁶

Given the tilt toward imports in the trade balance, **the government needs to attract new foreign investors** to replace the donor grants that previously helped bridge the trade deficit.

The aim of the government should be to rationalize the Afghan economy, the Kabul industrial sector in particular—by focusing on what the country can do sustainably but has usually neglected until now because of a relatively low, or slow, profit value. For example, domestic food-processing companies until a few years ago were reporting plans to expand their business (72 percent, according to a 2012 survey).²¹⁷ As the business environment for expansion has continued to decline across Afghanistan's provinces, including Kabul, optimism for expansion among business companies, especially among small companies in all sectors including the food industry, has all but disappeared. Without strong state action and a proper legal framework, however, incentives to move toward longer-term productive activities will be few and far between.

From an urban growth perspective, Kabul will probably continue to grow despite the crisis in the construction sector. Freed from the undue pressure of the past decade, **the government and the donors should at last develop a coherent national strategy to frame and guide urban development**, not only to avoid but also to correct whenever possible the mistakes made in the last decade. The government needs to develop a pro-poor housing policy with a focus on low-income housing projects accessible through microcredit programs. This should be given absolute priority over pharaonic plans to establish a new capital ex novo, or the established routine of letting controversial businessmen develop new expensive shahraks for the exclusive consumption of a small privileged class.

The probable end of the golden age of construction in the Afghan capital does not eliminate political undertone to the issue of land development and housing. As mentioned, populist leaders could easily exploit the desperation of migrant households in search of a place to settle and offer their political clout to groups of newcomers in exchange for their loyalty as a constituency. Meanwhile, competition among disadvantaged groups could heighten not only in regard to access to land.

Indeed, as immigration to Kabul from the provinces continues in the near future, the ability of the government to deliver even basic services to an augmented population is in doubt. This failure will negatively affect the most vulnerable households in the capital. **A key element to improving service delivery is the municipality's ability to raise enough revenue to meet the cost of services.** Regularization of informal property can be an important part of such an effort, although the municipality ought to give up its ideas of reasserting full control over the space and the population of Kabul by strictly implementing its master plan. The imperative need to upgrade and service informal and, more generally, all vulnerable settlements can go together with a careful process of regularizing tenure after surveying the history of the area and individual situations.

Nearly half of Afghan urban households depend on casual day labor.²¹⁸ Opportunities for such work are hit hard by the reduction of externally funded programs and by the slowdown of certain key economic sectors, such as construction and services, which are also relatively labor intensive. A sharp drop in cash-for-work projects promoted by many international organizations will also have negative impact on casual labor opportunities. More than reductions in humanitarian aid and targeted programs, which had a modest impact on the poor, **this general slowdown in economic growth is expected to increase poverty the most.**²¹⁹ The few available data already show a difference between 2011 and 2014, from the height of the surge to the depth of transition. The 2011–12 NRVA revealed the proportion of poor households in the cities at 28.9 percent, significantly lower than the 78.2 percent found in a 2014 survey.²²⁰

Altogether, the impact of declining aid will affect underemployment more than unemployment because “most aid-financed jobs are ‘casual’ and last less than 6-months.”²²¹ It will reduce household income also by causing skilled employees to earn less money. **Cash-stripped households will be unable to meet the high cost of urban living or pay for basic services, health care or education, and may be further forced into indebtedness.**

The transition will also hit certain professional groups harder than others. Business sectors that developed because of the massive presence of foreigners will need to be reabsorbed and will likely largely disappear once this presence has shrunk to a more “normal” level. This evolution will hardly happen gradually or without economic traumas for those involved. **Clerks and small entrepreneurs who have invested heavily in activities related to the presence of foreigners or foreign funding, without diversifying the range of their investments or skills, will pay the highest price.** Many among them are considering to relocate abroad, and not few will be able to. This in turn risks having a different but also negative impact on Kabul society.

Both economic and security concerns contribute to an exodus of Kabul youth. Households fear potential future unrest and consider having an active member outside Afghanistan as an asset. Emigrant destinations have changed over the years. Pakistan has been replaced as a favorite destination by Iran, which had for decades been frequented by Afghan seasonal workers, especially from northern and western Afghanistan but from Kabul as well. Iran, however, has in turn recently lost much of its attraction because of the economic crisis there and the devaluation of the rial, which made it less profitable for Afghan laborers, but it remains a cheap and relatively easy migration option.

Afghan emigrants from urban areas are less prone to live abroad in regional countries like Pakistan (only 2 percent of urban immigrants go there)—because the cost of living in Afghan cities is higher than Pakistani salaries, making diaspora remittances from there less effective for households. Arab Gulf countries and Western countries have long been the most sought after destinations and the percentage of urban residents going there is high compared with that countrywide: 19 percent and 9 percent respectively in 2011, against 8 percent and 2 percent.²²² Nowadays, apart from a few families who can secure visas for business or study reasons, **most emigrants leaving Kabul are asylum seekers headed to Europe.**

The exodus of Afghan nationals reached its peak between the summer of 2015 and the spring of 2016. In 2015 only, it is estimated that 213,000 Afghans arrived in the EU countries and that around 178,000 applied for asylum there.²²³ The number of Afghan asylum seekers had been on the rise for the last few years in the Scandinavian countries and especially in Germany, which by now hosts the higher concentration of Afghans outside Afghanistan's sub-region. Among them, many have rural backgrounds, refugees fleeing the violence of war-torn districts who possibly had already moved to Kabul and failed to secure decent living conditions there. In 2015, however, according to many observers, the marked majority of people have urban backgrounds, including many educated youth. Being able to count on the remittances of someone working in a foreign country can contribute significantly to the economic sustenance of a family group. It has thus become a survival strategy that many households we could in the local context term low middle class have had to adopt in these times of crisis and insecurity. The dramatic reduction of externally funded programs in the wake of the foreign withdrawal has further reduced viable options for the Kabuli youth who received a higher education over the past decade.

Such a brain drain of educated professionals has been under way for most of the past decade, but until now had a temporary character. Young, educated people would leave the country

to pursue advanced studies abroad and increase their qualifications and thus their chances to find a good job in Kabul. The departure of these professionals poses efficiency problems to the government and has a negative effect on service delivery. **It will also hamper the development of an urban middle-class** that could have given a distinct shape to Kabul's culture, social values, and politics and been a cohesive factor among the various communities in the city.

A few possible positive outcomes of the transition need be considered. In past years, donors' technical assistance to line ministries and other government offices have often resulted in creating a "double" civil service, whereby Afghan externally funded staff receive higher salaries than regular civil servants through outside budget funding, something that also reduces transparency about the real cost of running the government and delivering services. The transition provides an opportunity to rationalize the terms and conditions of externally funded staff, and gradually bring them in the core funding system to integrate them with the regular civil service over the longer term, all of which are necessary steps to make government functioning and service delivery affordable and sustainable.²²⁴

More generally, the gap between government basic salaries and those offered by foreign organizations has been from the beginning of the intervention a major driving force behind the loss of skilled personnel from the public institutions in favor of international organizations. This has been particularly true in Kabul, with its massive international presence. Some of the people finding themselves out of a job with the internationals could be thus brought back into service with the government. Decreased funding could also limit the possibility for many organizations to offer highly paid expat positions. Reduced economic incentives and more risks could mean that fewer foreigners are willing to join, and therefore push the international organizations that maintain a presence in Afghanistan to replace them with local staff, which could partly balance the overall loss of well-paid job opportunities for qualified Afghans.

As detailed earlier, in the present scenario, the insurgents do not constitute a threat to the government's actual control of Kabul. This situation could change radically only if a scenario involving sudden collapse of the Afghan National Security Forces and in particular of the Afghan National Army were to unfold.

Such a collapse could be caused by a radical decrease in funding, mentoring, and logistical support by the Afghan government's international partners. However, this is an unlikely scenario, especially after the signing of the Bilateral Strategic Agreement in September 2014 and recent announcements to the effect that the number of U.S. troops training, mentoring, and joining their Afghan counterparts in combat operations when needed will remain stable until 2017.²²⁵ Serious shortfalls in the Afghan National Security Forces' efficiency have already occurred, but they have hit outlying provinces or areas where the insurgents are able to field troops similar in size and weaponry to those on the government's side to take advantage of the situation. Security forces in Kabul have not seen their performance dramatically hampered by budget constraints or lack of tutoring.²²⁶

A meltdown of Afghanistan's security institutions is also possible should a political crisis go unchecked and assume unprecedented dimensions. Kabul would in such a scenario most likely be one of the primary places a collapse unfolds. It is therefore particularly important to consider the long-term effects of the 2014 political transfer of power.

After a lengthy electoral process that spanned most of 2014, Afghanistan found itself not only with a president other than Hamid Karzai for the first time after 2001, but also with a new form of government, in which a *rais-e ejra'ya* (chief executive officer) shares power with the elected president to some degree.²²⁷ This showed that **the country's political elites are not**

yet able to accept democratic alternation of power, because of the symbolic and more importantly economic assets attached to holding an official position.²²⁸ Leaving aside questions about the constitutionality of a compromise solution to a political impasse and how it affected the legitimacy of the new government, its practical effects on Kabul political elites merit attention. The deal between Ghani and Abdullah's camps allowed the country to get over the electoral process but prevented major changes in the elite's set up by allowing almost all players to remain at their institutions and to at least temporarily benefit from the political and economic dividends deriving from "being the government."

This compromise, however, has been put to a test whenever competition arose over a position or a political process, and creates concerns for future critical decision-making processes and electoral consultations, like the overdue parliamentary one. Also, the expanded number of partners to the government stresses the government's ability to satisfy the requests for political and economic benefits coming from all sides. Regardless of the will to cooperate between the main partners of the national unity government, **power-sharing increases the possibility that conflicts over local resources or appointments that originally developed at the local level gain the central stage of politics.**

On the other hand, the withdrawal of foreign troops from many provinces has reduced their contracting of local armed powerbrokers in order to provide security to their bases and convoys. The huge money and political cover provided by these contracts in the past contributed greatly to the power of local strongmen to the Kabul-based government and its local representatives.

As overall external resources decrease, those remaining will likely be concentrated among Kabul-based powerbrokers with a stake in the central government. As an Afghan journalist put it, "the largesse will now flow through the central government, with its propensity for playing favorites. From now on, ministries in Kabul will be in charge of dispensing the contracting cash."²²⁹

If Kabul is more likely to get the first pick of incoming external funding, its dependence on such funds has been more acute than other parts of the country from the beginning of the post-2001 political order. When considering the bleakest scenario of a full institutional breakdown, **the failure to invest and boost local industries and manufacture and to raise revenues through taxation leaves Kabul with a comparative lack of independent and sustainable productive resources**, especially relative to other areas of Afghanistan that could rely on the production of opiates or other extractive resources.

In a scenario of reduced external funding, the importance of the drug economy is feared to become more important, both at the center and at the periphery of the Afghan state. This means that the balance of economic and armed power can easily shift in favor of local and regional powerbrokers endowed with a strong enough connection to the security institutions to be able to run their drug trade business across the border. Control over appointments will continue to be a lynchpin of patronage, but will also represent the only leverage that Kabul government has over some of these regional powerbrokers. As long as the money generated by the opiate trade feeds into other in-country business activities run by institutional drug lords, such as construction or trade, the trade is not necessarily destabilizing.²³⁰ What is clear, though, is that any attempt to challenge this trade or to substitute this production with an alternative will meet with strong resistance. **The Afghan economy and the political balance of Kabul and the provinces could probably not withstand a significant reduction of both foreign aid and drug money.**

Despite a long history of political and security crisis, and a historical failure to fund its maintenance and expansion, the Afghan state has shown a remarkable political resiliency, making good use of national founding myths and symbols. The existence of a central state, or at least of the idea of the need for it, has never been seriously challenged by a separatist movement on the part of any of the country's social or ethnic constituents. Weak Afghan governments have seldom been able to strongly impress state institutions on local communities in many parts of the country, but those communities never exploited this weakness for the purpose of breaking away from the Afghan state.

In its own right, Kabul cannot be easily depicted as the seat of power of a certain ethnic, regional, or political group; it has no single identity given its size and location at the edge of different ethnic natural constituencies. In this respect, as a seat of political power Kabul has an advantage in not being homogenous, the same weakness that has relegated the original Kabulis to the role of minority partners of the factions disputing power until today. This advantage works in relation to residents of the rural areas of—almost—the entire country, and of all other urban centers—more ethnically characterized, making it the common meeting ground for Afghans of all backgrounds.

Another characteristic of the Afghan political arena that shows the prominence of a Kabul-based political power embodied by national institutions like the judiciary and legislative is that among the different types of politico-economic networks, **those with the best connections in Kabul are able to exploit the legal system to exclude rivals with an equally powerful but provincial-level mostly range of connections.** The outsiders, when faced with ad hoc legal provisions aimed at removing them from power or business, or at putting them in a disadvantaged position, can only resort to threatening violence. Open recourse to insubordination to Kabul's central government by any party of provincial powerbrokers, however, has until now been met with limited local support, generally seen as a backlash at the national—and international—level against all those who employed it.²³¹

The balance of center-periphery relations depends ultimately on the perceived lasting ability of Kabul to represent the ultimate and undisputed source of authority, legitimacy, and wealth.

Only in a worst-case scenario, in which an utter lack of foreign support and government capacity at raising and managing internal resources reduce the state's ability to redistribute shares of economic power, could those players be interested in and feel safe to fortify themselves in their respective turfs and carry on without Kabul's endorsement.

The long-term survival of post-2001 Afghan institutions appears to be closely linked with the rejuvenation of an inclusive deal among the political elites of the country, and the adjustment of the economic sides of it to the new situation that is taking shape, while avoiding major confrontations. "One of the main threats to the survival of the political system in Afghanistan is the unaccountable, reckless, greed of a chunk of the post-2001 elite."²³² The fear that a part of these elites, the "warlords," could start fighting each other while others, the "technocrats," leave and relocate abroad is not to be underestimated, but cannot hold the nation hostage forever. Hopes and attempts at reforms must not be forgone, otherwise the progress and advancement of the Afghan institutions will be hampered forever.

Political leaders should be selected based on their capacity to meet people's requests and get larger swaths of the population on board for a defined program, not by their ability to activate middlemen who broker alliances and gather support from secluded clusters of people on the basis of ad hoc patronage. It is possible that even the current leaders, left with less money

to run their patronage system, but prevented from resorting to blatantly illegal and violent ways of carrying out their political goals, will rely more on the mass mobilization of constituencies around real issues of national importance.

If this type of politics does not take the form of an entrenchment behind communal fault lines against direct competitors over scanty resources, it can instead lead to reasonably well-funded, well-managed, and accountable initiatives for reducing the gaps in terms of wealth, empowerment, health, and culture that, in Kabul as elsewhere, constitute the main drivers of conflict and threats to the future of the Afghan state. If there is a place in Afghanistan where these ifs could still materialize, in terms of potential for mobilization, technical and intellectual capacity, communication and acceptance by the rest of the country, it has to be Kabul.

Notes

1. Walid Ahmad Noori, "Challenges of Traffic Development in Kabul City" (University of Giessen, 2010), 36.
2. Ibid., 39.
3. Government of the Islamic Republic of Afghanistan (GOIRA), *The State of Afghan Cities* (Kabul: GOIRA, 2015).
4. Ibid., 15.
5. The first comprehensive survey of Afghanistan's population is being carried out and USAID announced that it will contribute \$15 million for its completion. *Pajhwok Afghan News*, "USAID contributing \$15m to landmark population survey," August 18, 2015, www.pajhwok.com/en/2015/08/18/usa-id-contributing-15m-landmark-population-survey.
6. To it, residents of the remaining five should be added by calculating them as a portion of the population ascribed to the relevant districts of Deh Sabz, Bagrami, Musayi and Charasiab. Probably, more than half of the given population for Deh Sabz (54,300) and Bagrami (55,700), as well as significant portions of that for Musayi (23,500) and Charasiab (36,800), must be included in the city's population. The population of Kabul living in Paghman District (basically coinciding with that of PD 14) is already separated in the CSO statistics under the category urban for that district. Paghman is the only district beyond Kabul center to feature a urban population in these statistics, though the other four mentioned districts have been also absorbed by Kabul City expansion. According to a Kabul Municipality public awareness manager interviewed in August 2014, the urban residents from the last five added wards amount to more than 171,000.
7. On how, generally speaking, CSO statistics are considered conservative, see "Afghanistan's population statistics," Wadsam, July 14, 2014, www.wadsam.com/afghanistans-population-statistics-232.
8. Anthony Fontenot and Ajmal Maiwandi, "Capital of Chaos: The New Kabul of Warlords and Infidels," in *Evil Paradises*, ed. Mike Davis and Daniel Bertrand Monk (New York: New York University Press, 2007), 81; Simone Haysom, "Sanctuary in the city? Urban displacement and vulnerability," Humanitarian Policy Group, June 2013, 9; Aga Khan Trust for Culture (AKTC), "Kabul urbanisation and development challenges: A synthesis report," September 2011, 12.
9. This would be only partially consistent with early World Bank estimates, which put it at 5.13 million in 2015. World Bank, "Should Kabul Grow by Expanding to a New Town or by Building up its Existing Suburbs?" Kabul Urban Policy Notes Series no. 3, 2005.
10. Jan Turkstra and Abdul Baqi Popal, "Peace Building in Afghanistan through settlement regularization" (paper presented at the 46th ISOCARP Congress, Nairobi, September 19–23, 2010).
11. World Bank, "Kabul Urban Land Crisis: A Summary of Issues and Recommendations," Kabul Urban Policy Notes Series no. 1, 2005.
12. "World Bank indicators," <http://data.worldbank.org/indicator/EN.URB.LCTY.UR.ZS?locations=AF>.
13. The under-five mortality rate registered by National Risk and Vulnerability Assessment (NRVA) for 2011–12 has decreased to 91 in 10,000 from 161 in 1,000 in 2008. Central Statistics Organization (CSO), "National Risk and Vulnerability Assessment 2011–2012," Afghanistan Living Condition Survey (Kabul, 2014), xvi.
14. CSO, "NRVA 2011–2012," 21–22.
15. CSO, "Socio-Demographic and Economic Survey Highlights" (Kabul, 2015), 16; DRO/Samuel Hall, "Urban Poverty Report, 2014: A Study of Poverty, Food Security and Resilience in Afghan Cities," 37.
16. CSO, "NRVA 2011–2012," 11.
17. Ibid., 174–78.
18. Ibid., 10.
19. DRC/Samuel Hall, "Urban Poverty Report," 67.

20. Christine Issa and Sardar M. Kohistani, "Kabul's Urban Identity: An Overview of the Socio-Political Aspects of Development," *Asian* 104 (July 2007): 57–58. Obviously this identity was limited to the former boundaries of Kabul, much smaller than the present city.
21. CSO, "Socio-Demographic," 10. Logar also provides a substantial group of commuters who may be increasingly settling for good in the city because of security concerns back in their home districts.
22. CSO, "NRVA 2011–2012," 22. Official figures about immigrants are necessarily limited and only give a partial idea of the picture: many individuals seeking labor and whole families settling in Kabul may avoid registration by settling in peripheral areas or joining relatives as guests.
23. DRC/Samuel Hall, "Urban Poverty Report," 31.
24. CSO, "NRVA 2011–2012," 25.
25. Agency Coordinating Body for Afghan Relief and Development (ACBAR), "Briefing to the European Parliament," January 2014, www.acbar.org/news/76/ACBAR--ECHO-briefing-.html.
26. Human Rights Watch, "Pakistan: Stop Forced Returns of Afghans," February 21, 2015, www.hrw.org/news/2015/02/21/pakistan-stop-forced-returns-afghans.
27. Samuel Hall, *Challenges of IDP Protection* (Oslo: Norwegian Refugee Council, 2012), 31, www.nrc.no/globalassets/pdf/reports/challenges-of-idp-protection.pdf.
28. Samuel Hall, "Cash-Based Assistance Programmes for Internally Displaced Persons in the Kabul Informal Settlements: An Evaluation for WHH and DRC," Kabul, May 2014, www.humanitarianresponse.info/system/files/documents/files/Studay%20Report-Cash-Based%20Assistance%20Programmes%20IDP%20in%20KIS%20May%202014.pdf.
29. World Bank, "Kabul Urban Land Crisis"; Rod Nordland, "Driven away by a war, now stalked by winter's cold," *New York Times*, February 3, 2012, www.nytimes.com/2012/02/04/world/asia/cold-weather-kills-children-in-afghan-refugee-camps.html; Samuel Hall, "Cash-Based Assistance," 11. According to ACBAR, ten thousand new IDPs are profiled every month, most of them heading to urban centers ("Briefing to the European Parliament").
30. Saeed Parto, Ahmad Shaheer Anil, Jos Winters, Ehsan M. Sadaat, Mohsin Usyan, Asad Shadan, Zarghona Saify, Zafasgul Karimi, and Wahab Hazivi, "Migration and Urban Development in Kabul: Classification or Accommodation?" (Kabul: Afghanistan Public Policy Research Organization [APPRO], October 2012), 14–15.
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32. Samuel Hall, *Challenges of IDP Protection*, 44.
33. KIS Taskforce, "Winter Distribution in the Kabul Informal Settlements, KIS Taskforce: Post distribution monitoring and evaluation," Kabul, June 2013, www.humanitarianresponse.info/system/files/documents/files/Final%20KIS%20Winter%20PDM%20report.pdf.
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36. Afghan National Development Strategy (ANDS), *An Urban Area Primary Source Study of Supply and Demand in the Labor Market* (Kabul: Labor Market Information and Analysis Unit, 2009), 125–36, [http://molsamd.gov.af/Content/files/research/An%20Urban%20Area%20Primary%20Source%20Study%20of%20Supply%20Demand%20in%20the%20Labor%20Market\(En\).pdf](http://molsamd.gov.af/Content/files/research/An%20Urban%20Area%20Primary%20Source%20Study%20of%20Supply%20Demand%20in%20the%20Labor%20Market(En).pdf).
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39. The Liaison Office (TLO), "Justice and Security: Practices, Perceptions, and Problems in Kabul and Nangarhar," 2014, 16, www.tloafghanistan.org/2014%2010%2001%20Justice%20and%20Security%20Report.pdf.
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41. Claire Mariani, "Linking Relief, Rehabilitation and Development Programme (LRRD) in Afghanistan," Groupe URD, 2006, 1, www.alnap.org/resource/7019.
42. Mohsin Amin, "Power to People: How to Extend Afghans' Access to Electricity," AAN, February 3, 2015, www.afghanistan-analysts.org/power-to-the-people-how-to-extend-afghans-access-to-electricity/; World Bank, "Afghanistan Country Overview," November 2, 2016, www.worldbank.org/en/country/afghanistan/overview.

43. Only recently have Afghan private companies started to bring water pipes to marginal neighborhoods, in exchange for an initial investment for the laying of the pipes by the local residents, who are then asked to pay a monthly bill.
44. Noori, "Challenges of Traffic Development," 71.
45. In August 2014, an engineer of the Ministry of Public Works claimed in an interview that 85 percent of it had been completed and denied works had ever suffered from stops, forecasting its completion "after the end of 2014." Only two weeks later, however, his boss, the former minister of public works, Najibullah Ozhand, answered to a parliamentary interrogation that his ministry did not have enough of a budget to complete the project. See also Qayoom Soroush, "Going in Circles: The never-ending story of Afghanistan's unfinished Ring Road," AAN, January 16, 2015, www.afghanistan-analysts.org/going-in-circles-the-never-ending-story-of-afghanistans-unfinished-ring-road/.
46. With a built-up area of 140 square kilometers, Kabul has an average built-up density of about 215 persons per hectare. This is a high density by world standards but a normal density for a large city in Asia (similar to the density of Bangalore or Hyderabad). Population densities in informal areas are higher than in formal areas. In the first years after 2001, the population of Kabul was rather more dispersed despite the high density than other cities of Asia with similar built-up densities: a dispersion index of 1.13, versus 0.99 in Bangalore and 1.03 in Hyderabad. World Bank, "Urban land in crisis," Kabul Urban Policy Notes no. 1 (Kabul, September 2005), http://siteresources.worldbank.org/SOUTHASIAEXT/Resources/223546-1150905429722/Policy_Note_1.pdf.
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57. Shutte and Bauer, "Legalise informal settlements." On the issue of formal titling, see also World Bank, "Will formal documents of title and the courts resolve all land disputes?" Urban Policy Notes no. 5, 2006; "Conflicts over property rights and resolution of disputes in Kabul," Urban Policy Notes no. 6, 2006.
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59. Yohannes Gebremedhin, "Preliminary Assessment of Informal Settlements in Kabul City" (Kabul: USAID/Emerging Markets Group, March 2005), 5.
60. AKTC, "Kabul urbanisation," 40–41, 51, 80.
61. Calogero, "Planning Kabul," 82–83.
62. This does not refer to confiscation of private lands to build public infrastructure. Such occurrences are frequent and have generally met with the consent of affected residents, who were entitled to compensation by the municipality. AKTC, "Kabul urbanisation," 53.
63. GOIRA, *State of Afghan Cities*, vol. 1, 80.
64. The project, named Smart City, gained media attention for the participation of controversial investors like Khalil Firuzi, already jailed for the Kabul Bank scam. Martine Van Bijlert, "The Afghan Government and the 'Smart City' Debacle: Who out-smarted whom?" AAN, November 21, 2016, www.afghanistan-analysts.org/the-afghan-government-and-the-smart-city-debacle-who-out-smarted-whom/.
65. According to an interviewee from Dasht-e Barchi, prices of properties close to the main street are calculated in dollars, and those removed from there are in afghanis.
66. AKTC, "Kabul urbanisation," 59.
67. CSO, "Socio-Demographic," 24.
68. Calogero, "Planning Kabul," 27.

69. See, for example, on the Australian-funded project Alicegha, "Afghan Ghost Towns a Symbol of Lost Hope," Agence France Presse, February 16, 2014, www.ndtv.com/article/world/afghan-ghost-towns-a-symbol-of-lost-hope-484051.
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95. ICF International, *Child Labor in Afghanistan: A Four-Province Study in Kabul, Kandahar, Nangarhar, and Balkh* (Washington: U.S. Department of Labor, May 30, 2008), 39, www.dol.gov/ilab/ICLRE/Downloads/Research/Report/Afghanistan_Research_Report.pdf. According to the Afghan Labor Code youths age fifteen may be employed as workers, service personnel, and contract employees, and youths age fourteen may be employed as trainees. Most children work in the informal sector and few efforts are devoted by the government to preventing abuses.
96. ICF, *Child Labor in Afghanistan*, 52, 93.
97. CSO, "Kabul SDES Highlights" (Kabul, 2015), 6; "Socio-Demographic," 6.
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105. CSO, "Socio-Demographic," 13. This data is more in line with the high percentages, around 70 percent, of unemployment countrywide claimed by a major trade union, the National Workers Union. ILO, "Time to move to sustainable jobs," 29.
106. Schutte and Beall, "Urban Livelihoods," 42.
107. Poverty and Inequality Thematic Map, <http://reliefweb.int/map/afghanistan/afghanistan-poverty-and-inequality-thematic-nrva-20072008-27-nov-2012>.
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110. DRC/Samuel Hall, "Urban Poverty Report," 7, 93.
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112. ILO, "Time to move to sustainable jobs," 39.
113. Food prices in Afghanistan depend on transportation above all else, so it happens paradoxically that basic food items such as rice and flour, when imported, be cheaper in well-connected Kabul than in remote provinces they must be brought to with difficulty. On the contrary, local produce gets easily overcharged for in Kabul.
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117. CSO, "Afghanistan Statistical Yearbook," 208.
118. World Bank, "Afghanistan Country Report."
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Afghanistan's capital city of Kabul is one of the more complex phenomena in the country today, to which its immense size, fluid borders, and links with national politics and dynamics all contribute. This report offers a comprehensive look at the city and its unique role in the life of the country. Since 2001, Kabul and its economy has depended on foreign funding and involvement—primarily international aid and development. This capital inflow peaked in 2011 and 2012 and then, as the drawdown of foreign troops got under way, declined precipitously. Today, uncertainty about the economy and a declining security situation are spurring many educated youth to leave for Europe. Social tensions are simmering just under the surface in Kabul, even more so than in other Afghan cities, and could foment serious unrest. A balance of center-periphery relations is critical to defusing these tensions. It depends, ultimately, on the perceived lasting ability of Kabul to represent the ultimate and undisputed source of authority, legitimacy, and wealth in Afghanistan.

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