

# The Informal Proletariat:

## *Assessment of Constraints and Opportunities for Short-Term Employment Generation Schemes in Afghanistan's Urban Areas*



Afghanistan is urbanizing at a staggering rate. Today, however, urban poverty is on the rise with worrying signs of economic collapse. The construction, transportation and services sectors are in decline, and jobs have become even scarcer than before. In the last decade, public works programmes have become one of the primary instruments to fight poverty. This document provides highlights from research conducted by Samuel Hall Consulting in 2015 for the World Bank to inform the debate around the potential for labour-intensive public works projects as safety nets in Afghanistan.

### Lessons learned from past public works schemes

A large number of actors have implemented food-for-work or cash-for-work projects in Afghanistan and faced similar challenges:

- A surplus of eligible candidates;
- Exclusion of women, disabled and the elderly;
- Insufficient capacity and inadequate oversight;
- A lack of sustainability of the created assets.

### Who are Afghanistan's casual workers?

The typical urban day labourer has little or no education and skills. He supports a large family by himself, and his household falls well below the poverty line.

He is unlikely to ever have had a stable job. Along with hundreds of others, he waits at the pickup point hoping to get selected by an employer and work at a construction site for the day. The combination of highly demanding physical labour and insecurity with respect to his future ability to provide

for his household has a negative effect on both his health and his morale.

### How much demand is there for casual labour, and how much do workers get paid?

Although the typical casual worker goes to the pickup point every day, he will normally get selected for work less than 20 days per month in the high season (spring) and less than 10 days per month in the low season (winter). The number of days when work can be found is dropping.

Urban day labourers earn a fairly consistent daily wage of 300 AFS for unskilled labour and 600 AFS for skilled labour. Income is heavily influenced by the possession of skills, which are almost universally construction-related. Controlling for other factors, having lived abroad and possessing a primary school education tend to modestly raise income, while being under 25 or over 40 years of age have a negative effect.

### Would casual workers be interested in participating in a public works scheme?

Yes. Interviewed urban day labourers almost uniformly expressed an interest in participating in a public works scheme. Such a scheme would not only improve their lives but also the situation of their communities.

About half do not have a preference as to the type of task they would like to perform, while the others suggested participating as construction workers.

Wage expectations cluster near the standard rates, slightly dropping with longer-term guarantees. Skilled workers show slightly greater tolerance to wage cuts than unskilled ones. Almost no seasonal preference for such a project was expressed, suggesting

that work has become scarce at all times of the year.

### What kind of public works projects are considered useful by the communities?

The research showed that street construction is still in high demand, that sources of clean drinking water and canalization infrastructure are lacking, and that recreational areas remain in short supply. Interviewees in all cities expressed a desire for a project aimed at cleaning their habitat.

### Could women be included in a public works scheme in Afghanistan?

Yes. The participation of women in public works is a definite possibility, given appropriate conditions, and women themselves are generally enthusiastic to take part.

### Short-term cleaning and medium-term infrastructure projects

In the short-term, a project aiming at improving the sanitary conditions in urban spaces could be set up relatively quickly. Such a project would not require significant infrastructure and could conceivably be implemented during the winter months. Women might be able to contribute under appropriate conditions.

In the medium- and long term, a public works project should address the infrastructure deficiencies which remain significant across all sectors.

### Looking ahead

A well planned and executed program could change the lives of tens of thousands of city-dwellers if care is taken to avoid the failures we have met. Projects must be selected based both on their benefits to the community and the ability and willingness of labourers to participate in them. The

selection of participants must be fair, transparent, and rigorously enforced. Any project taking place in a given neighbourhood should impose the prioritization of local resident volunteers in the selection process.

Mechanisms must be put in place to ensure that projects fulfil their goals, are implemented with design quality, and are not disrupted by local politics and corruption.

### Priority gaps:

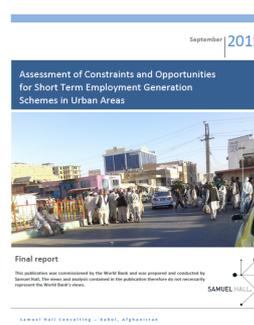
**Strengthen coordination:** Organisations having implemented LIPW should exchange regularly on lessons learned and programming gaps identified.

**Change the system:** A functioning and transparent registration and worker assignment system would make the process more efficient, to the great benefit of casual workers.

**Consider less temporary solutions:** Short-term programmes are unlikely to help Afghanistan's urban labourers escape a vicious cycle of poverty, uncertainty, depression and debt. India's National Rural Employment Guarantee Act provides an interesting example of a different approach.

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