

FROM INVISIBILITY TO VISIBILITY:
FEMALE ENTREPRENEURSHIP IN AFGHANISTAN

by

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THESIS ABSTRACT

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Title: From Invisibility to Visibility: Female Entrepreneurship in Afghanistan

This study focuses on female entrepreneurship in Afghanistan as a relatively new phenomenon in the country. It captures women entrepreneurs' lived experiences and investigates their motivations, the factors affecting their businesses, the challenges they face, and their survival strategies. It also explores entrepreneurship's impacts on women's lives, particularly affecting their ascribed gender roles and contributions to social transformation. The findings of this research, based on qualitative interviews with 19 female entrepreneurs in Afghanistan, suggest that female entrepreneurship could be an effective way of involving women in social and economic development. This thesis also contributes to women's empowerment and increases job opportunities for other women. It also has the potential to address women's previously unmet needs. I argue that in conservative societies, entrepreneurship brings about social change by normalizing women's presence in the public sphere, particularly in business, and therefore it should be supported and promoted.

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DEDICATION

To the women of Afghanistan, whose courage, resilience and hard work is a source of hope for me for a prosperous, developed, and peaceful Afghanistan.

To my wonderful parents, to whom I owe my existence, my education and my achievements in life; whose endless love, kindness, support, and devotion made my world beautiful and peaceful, and whose unconditional trust on me gave me the courage to pursue my dreams in life.

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CHAPTER I

INTRODUCTION

Overview

Three decades of war—intense conflict occurring from the late 1970s past 2001 and unpredictable incidents continuing—not only severely damaged Afghanistan’s infrastructure but also adversely affected individuals and social structures, including political institutions. Women suffered particular hardships under the Taliban rule, during which women’s public and social participation was strictly limited. Even young girls were not allowed to attend school, although just before the war both girls and boys had been enrolled to schools and in some schools co-education at the primary and secondary schools was practiced, particularly in the cities. During the Taliban era, a number of female teachers in different parts of the country established secret underground schools for girls, encountering Taliban death threats for both teachers and students (Rostami Povey, 2003). Despite the high level of risk, these women seized the narrow opportunity available at that time, exhibiting their strong desire for changing prevalent hostile conditions through educating girls, and thereby building a foundation for improving women’s status.

The collapse of the Taliban government as a result of the international communities’ interventions, followed by a shift in Afghanistan’s political and economic situation, paved the way for the aspiring nation to achieve many desired social, political, and economical changes. Women, the most oppressed group under Taliban rule, made their re-entry into social and public spheres in a transformative way. Ahmad-Ghosh (2013, p. 1) characterizes the political, social and economic chaos in Afghanistan as

“deficiencies” that gave women new opportunities to use to “redefine” and “renegotiate” their roles in the community as well as in the family.

As part of this renegotiation, relatively large numbers of women entered the business world as entrepreneurs, though most of them remained unrecognized and unrecorded in the formal economic system (Holmén et al., 2011). The aftermath of the conflict and the on-going insurgency together with significant corruption and strict social and religious norms make engaging in the business environment challenging for women (Holmén et al., 2011). Notwithstanding these challenges, the number of female entrepreneurs is increasing and they are becoming visible, which is a “new social and economic development” for Afghanistan (Boros 2008, p. 6). These challenges raise several important questions explored in this study:

- i) How did entrepreneurship shape women’s lived experiences?
- ii) What motivated women not only to enter business, but also to choose the highly male dominated non-traditional sectors?
- iii) How were women able to overcome the myriad obstacles to become successful entrepreneurs?
- iv) What are the various impacts of female entrepreneurship from social and gender perspectives and how does it contribute to social change?

To answer these questions in light of the very conservative nature of Afghan society, this study explores female entrepreneurship in Afghanistan from a social perspective. It seeks to capture how entrepreneurship shapes women’s experiences and how it has contributed to women’s social and economic empowerment in the household and in the community. It also offers insights into the existing opportunities and challenges women are facing, and reveals explicit factors essential to their success. A

considerable body of literature (see for example Dzisi, 2008; and Roomi & Parrott, 2008) discusses the challenges and barriers female entrepreneurs face, but it fails to document the strategies women use to overcome these challenges. This study explores and describes these strategies, showing how they contribute to these women's success and nurture social changes. Greene et al. (2003) point out the need for research focusing on aspects of female entrepreneurship besides personal traits, motivation, and education. They suggest examining leadership and career, vision, challenges, and responses to challenges.

In this introductory chapter, I explain my research objectives, site selection, and methodology. Chapter II provides an overview of the country and describes recent political and economic developments in Afghanistan. This follows the downfall of the Taliban regime in October 2001 and its impact on women in general. The last section of Chapter II describes the status and situation of women in Afghanistan from the perspective of gender roles and relations.

Chapter III provides an introduction to the concept of entrepreneurship in general, its definition and its characteristics. A detailed literature review on female entrepreneurship, motivation factors, its link to empowerment, and social entrepreneurship follows. Chapter IV offers an overview of female entrepreneurship in Afghanistan. It maps government and nongovernment institutional arrangements relevant to organizing and facilitating private sector enterprise in Afghanistan and describes the personal characteristics of the study participants, including their age, marital status, education, etc. Chapters V and VI present the study's findings, organized in four themes: motivation, enabling and constraining factors, strategies for overcoming barriers, and the impact of entrepreneurship on women's status, empowerment, and employment. My

conclusions and the recommendations that emerge from the interviews with the participants are discussed in Chapter VII.

Research Objective

Women as entrepreneurs have always existed in Afghanistan and contributed to the family economy. However, their activities were confined to the domestic sphere¹ and were most often invisible due to cultural constraints and social norms. Female entrepreneurship and more specifically women's public presence and participation in business are new phenomena in Afghanistan. Because of their novelty and contributions to the community, especially in conservative and male-dominated societies such as Afghanistan, it is important to understand and explore the nature of entrepreneurship and how women experience it. The limited number of studies and research conducted so far on Afghan female entrepreneurship underscore the importance of this field, not only in relation to the status of women, but also for its contribution to the social and economic development of the country (Holmén et al., 2011; Ahmad-Ghosh, 2013). Scholars have noted the lack of attention to research on female entrepreneurship. Holmén et al. (2011), studying the motives and problems of Afghan women entrepreneurs as they start their businesses, suggest further research to enhance the understanding of the nature of female entrepreneurship in Afghanistan.

This study aims to capture Afghan female entrepreneurs' lived experiences to reveal factors key to their success and survival strategies. It is important to understand

¹ They were doing work that could be done in the home, such as carpet weaving, food processing, or kitchen gardening in their walled farm.

how they got where they are, despite all the social and cultural barriers, and how they compare themselves to their male counterparts. Considering the historic social position of women in Afghanistan and their subordinate roles in both the private and public spheres, as well as the political transitions in the country, especially post-2014, this research serves the interests of female entrepreneurs by giving them voice. The significance of this research is twofold. First, it contributes to the existing literature on female entrepreneurship from a social and gender perspective. Second, it offers insights and information that are especially timely as the country goes through transitions marked by the change of government and withdrawal of international forces, which have major consequences for the economy, social conditions, and security. The research contributes to developing a better understanding of women entrepreneurs, their importance in the social and economic transformation in Afghanistan, their experiences of social and traditional barriers, and their strategies for overcoming these barriers. By talking to them and capturing their voices, this study acknowledges their importance and recognizes their contributions in social and economic development processes in the country. The impacts of their work include changing their community's perception of women's work outside the home, making economic contributions, and promoting women's employment and empowerment. Additionally, this thesis will provide policy makers and donors in the country first-hand knowledge of female entrepreneurs to enhance the effectiveness of the programs designed to support women entrepreneurs. Organizations such as Afghan Women's Business Federation, USAID, and other development partners can use these findings to develop programs to train newcomers and help them identify strategies for coping with social and cultural norms, and overcoming barriers to success.

Methodology

I conducted the research in light of the existing literature on women's entrepreneurship and empowerment theory, which revolves around power, choices, decision-making, 'access to' and 'control over' (Kabeer 1994). Applying qualitative research methods, I investigated female entrepreneurship in Afghanistan by conducting in-depth semi-structured interviews. Qualitative methods are appropriate for gaining insights into certain human experiences and can provide information that is accurate and objective (Rahmatullah & Zaman, 2014). Given the existing social realities on the ground, including reluctance to talk with total strangers, I applied snowball sampling. That is, I started with entrepreneurs with whom I had existing connections and they referred me to other entrepreneurs, creating a group of 19 female entrepreneurs connected by a chain of acquaintance. These key participants were in Kabul City, the capital of Afghanistan, where the private sector is vibrant and dynamic. In similar researches, this method and a similar sample size have proven to be useful in expanding insights about a social phenomenon (e.g. see Rahmatullah & Zaman, 2014). I took an ethnographic approach, studying female entrepreneurs as a group. In this approach, groups, organizations, communities, and other forms of collective gatherings are studied through different means, including participation observation and interviews, to identify and analyze patterns within the same culture (Marshall and Rossman, 2010).

Initially, I tried to select participants from the directory of organizations such as the Afghanistan Investment Support Agency (AISA) and the Ministry of Commerce and Industries (MOCI). Both organizations have developed unique databases and print directories with the names and other details of the women-owned businesses registered with them. However, I could not find participants from these directories, because most of

the contact details for women-owned businesses were made deliberately inaccurate due to individual and family concerns about privacy and security. Eventually, I used snowball sampling, based on a set of criteria to find women who were:

- In the business for a minimum of three years. This shows a degree of security as a business and some experience dealing with barriers; and
- Employing three or more workers. This shows the visibility of the business as well as its growth.

In order to develop a broader understanding about female entrepreneurship in general, I chose participants from different types of business. Their businesses mainly fall under the category of small and medium enterprises. Many agencies define categories according to the number of employees and the size of their annual revenue; however, in practice categories vary across economies (UNDP, 2005). For example, according to the European Commission:

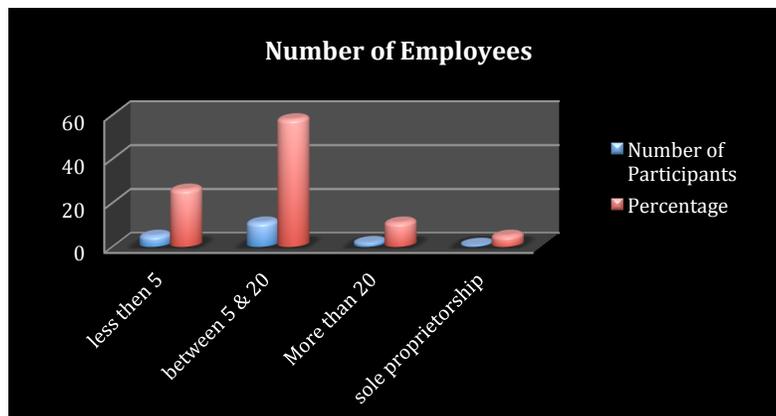
1. The category of micro, small and medium-sized enterprises (SMEs) is made up of companies that employ fewer than 250 persons and have an annual turnover not exceeding EUR 50 million, and/or an annual balance sheet total not exceeding EUR 43 million.
2. Within the SME category, a small enterprise is defined as an enterprise that employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million.
3. Within the SME category, a microenterprise is defined as an enterprise that employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million².

In the Afghanistan context, the World Bank considers any firm having 5-100 employees as Small Medium Enterprise (SME) (World Bank Project Paper, 2011). More precisely,

² European Commission, Growth, Internal Market, Industry, Entrepreneurship and SMEs http://ec.europa.eu/growth/smes/business-friendly-environment/sme-definition/index_en.htm retrieved March 19, 2015

according to the Ministry of Commerce and Industries, firms employing between 5 and 20 people are defined as “small” enterprises, and between 20-100 employees are categorized as “medium” enterprises (Mashal 2014). Based on this definition, the majority of participants in this study match the general pattern of women-owned businesses (Mashal 2014) in owning small enterprises, as illustrated in Figure 1.

Figure 1. Number and Percentage of the Participants Based on the Number of Their Employees



In addition to female entrepreneurs, I also interviewed a number of officials in relevant government and non-government organizations such as the Afghan Women’s Business Federation (AWBF), USAID, Afghanistan Investment Support Agency (AISA), UNDP, the World Bank-funded projects implemented by Ministry of Commerce and Industry, Ministry of Women’s Affairs (MOWA), and Ministry of Commerce and Industries to gain better understanding of policies and programs towards women entrepreneurs. Through these interviews, I learned about some of the ongoing programs and projects geared towards women-owned businesses, and how these programs and policies are accessible to women. As I had these meetings at the beginning of my fieldwork, it

provided me with a broader picture of the field. Also I felt good when I informed some of my informants about these projects, and they were very happy to hear about them. Similarly I passed to the program workers some of the messages and problems women were sharing with me. In this way in a number of cases I acted as a bridge between the entrepreneurs and agencies intending to serve them. For example, from a number of participants I heard complaints about the lengthy processes and rigid requirements of international donor programs (mainly English language competency). The participants considered these requirements as barriers in getting into these programs; not many women can meet these requirements, although they might have other compelling skills. Based on these criteria, only a small group of women could benefit from these programs. I use structured interviews with these officials, enquiring about their policies, programs, and procedures with regard to women entrepreneurs.

Research Design and Analysis

Based on the exploratory nature of the research, I used qualitative methods and in-depth interview approaches. According to Marshall and Rossman (2010, p. 91) "...human actions cannot be understood unless the meaning that humans assign to them is understood." To understand these meanings, it is important to capture participants' feelings, beliefs, and the general perspectives that define these meanings, and this cannot be achieved without a face-to-face encounter and observation. The face-to-face nature of the interview can also be justified in the light of phenomenology, one of the genres of qualitative method, which focuses on participants' lived experience: "how they perceive it, feel about it, judge it, remember it, make sense of it, and talk about it with others" (Patton, 2002, p.104, cited in Marshall & Rossman, 2010). I chose this approach to give

voice to these women, to capture their stories as well as underscore the importance of their work and contributions. A few participants confirmed this intention of mine, as they felt proud talking about their work and how they got there. One of the participants, Mursal, at the end of the interview said with evident gratitude, “Until talking to you, I didn’t realize how much I have achieved.”

I conducted all the interviews in the Dari language, as the majority of the participants speak this language, which is also my native language. In Afghanistan, Dari is the home language of about 50% of the population, Pashto 35%, Uzbek and Turkmen 11% and other languages 4%; however Dari is *lingua franca* and Dari and Pashto are the official languages (CIA, 2015). In Kabul the formal language and the medium of education in public schools and institutions is Dari; therefore, most of the residents in Kabul speak Dari, in addition to their native language. The participants (except one) mainly belonged to either Tajik or Hazara ethnic groups, whose native language is Dari. Tajiks constitute the largest ethnic group in Kabul (45%), followed by Hazara and Pashtun (each 25%), and Baluchi, Uzbek, Turkmen and Hindus (together 5%) (National Geographic Society, 2003³). However this composition might be different from the last reported numbers, as a large number of Afghan refugees chose to stay in Kabul for security, education, and job opportunities after returning to Afghanistan after 2002.

For this study, snowball sampling produced a group with about the same proportionate background as the ethnic composition of Kabul, although this factor was not considered in selection. The absence of the Pashtun ethnic group in my research population may be due to the nature of my participants’ selection, because women

³ There is no update information available on the ethnic composition in Afghanistan due to a number of factors, including lack of a proper census in the country, as most of insecure areas are not reachable, and sensitivity of the issue from a political point of view, particularly after the civil war in the country.

referred me to others they knew well and tend to network within their own communities. In addition, there are fewer Pashtun women in business due to even more restrictive social and traditional norms among this group.

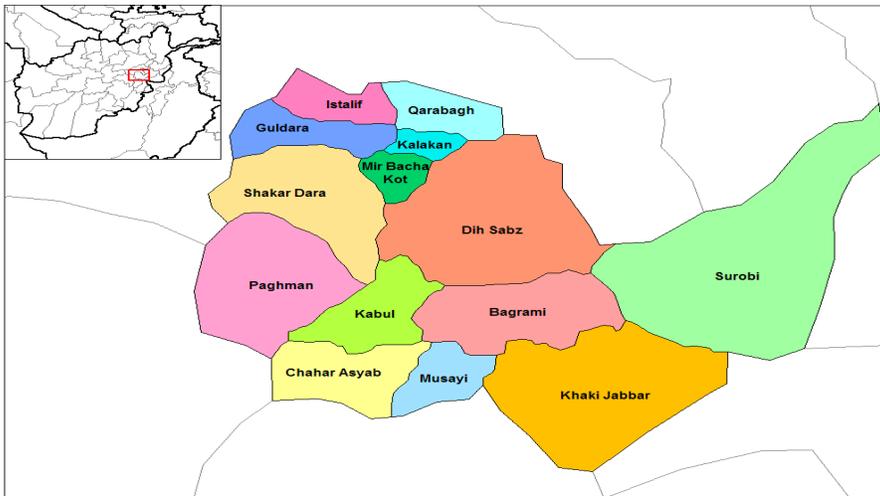
After seeking the consent of participants, I audio-recorded most of the interviews. The location of the interview was set at the convenience of the participants, mostly in their office or residence (in some cases, the same location), and each interview with the primary participants took one to three hours. Interview techniques such as less obtrusive, careful but less active listening were applied. Most participants were highly welcoming and were willing to participate in the research, as they saw it as a way of supporting a woman's (in this case, the researcher's) education. I had the opportunity to do participatory observation by spending the entire day with a number of them in their workplaces, observing the ways they were operating and their relations with staff and their clients and customers. I noticed they found it relatively easy to trust me and open up with me as female researcher who has been living and working most of her life in the same city as they were. However, despite all these advantages, a couple of female entrepreneurs declined my request for an interview. Based on their own assumptions and despite my assurances, they could not secure their male family members' permission to participate in this research and feared being photographed or filmed.

I transcribed the recorded interviews in a verbatim manner and simultaneously translated them from Dari into English. Then I analyzed the transcripts thematically and supplemented them with empirical field notes and direct quotes, using pseudonyms. (See appendix A for the list of participants with pseudonyms, their ages, and types of business.)

Research Site

I conducted my fieldwork in Kabul City (part of Kabul Province, see the map, Figure 2), the capital of Afghanistan, which is now home to more than 3 million people, comprising 10% of the country's population (World Population Review, 2014). The population of the city was much smaller in the early 1970s. It started to change drastically after the political changes in the country in late 2001⁴. More than 5 million Afghan refugees who were living in Iran and Pakistan during the years of conflict in the country home returned to Afghanistan in the last 12 years (UNHCR, 2015). A large number of them chose to settle down in Kabul, finding it relatively secure with better educational and employment opportunities.

Figure 2. Kabul Province Map



Source: Wikimedia Commons. Retrieved on Jan 16, 2015 from http://commons.wikimedia.org/wiki/Atlas_of_Afghanistan

⁴ According to the World Bank, Kabul Urban Policy Notes series n.3, there has been an increase of almost 100% in Kabul's population, from 1.78 million in 1999 to over 3 million in 2004. <http://siteresources.worldbank.org/SOUTHASIAEXT/Resources/223546-1150905429722/PolicyNote3.pdf> accessed on April 23, 2015

I chose Kabul city as my research site for number of reasons. The most important one was security. Despite frequent suicide attacks in the city, Kabul is still considered relatively safe. In other provinces, in addition to suicide attacks, there are also high rates of insurgency, terror, and ambush by the Taliban insurgents. They have no mercy for women, particularly those who work for international organizations, and based on their definition, are modern (both categories apply to me). However during my two and a half months of fieldwork, the whole country, including the capital city Kabul, was going through extremely challenging phases after a disputed Presidential election. The process took almost six months before the results were announced and during this period the county faced myriad political, economic and security challenges. Even in Kabul, the number of suicide attacks during this period increased significantly and a couple of times I was very lucky to survive. For example, on the morning of August 10, 2014, while my brother was driving me to one of my interviews in the west of Kabul, we both escaped one of the most deadliest suicide attacks by a few minutes. My brother, who is much younger than me, usually drove me to my interviews for both security and social reasons. Kabul is overpopulated and in some parts of the city there are not enough transportation services. Men usually enjoy sharing inexpensive taxis while women, for cultural reasons, cannot often benefit from it, as they cannot sit next to male strangers. They either have to wait until there are enough women (5 or 6 traveling the same route) to hire a shared taxi or pay twice as much as men do to get the front seat. From time to time I experienced this situation and felt the pain of the women who go through this process on a daily basis, including my participants.

The other reason for choosing Kabul was for its vibrant economy and growing private sector, including women-owned businesses. Although there are not accurate

official statistics on the number of female entrepreneurs in the country, Afghanistan Investment Support Agency officials told me that more than 1600 women-owned business are registered with them, and most are in Kabul. These businesses are diverse and include a wide range of sectors including non-traditional sectors for women such as carpentry, logistics, construction, and printing. For the purpose of my research, it was essential to talk to female entrepreneurs in these non-traditional sectors and learn how and what made it possible for them to tap on these sectors, which are perceived to be male-oriented and male-dominant. Such diversity in terms of type of business is rare in other provinces, due to stricter social and cultural norms for women. The other important diversity Kabul City could offer was the wide range of different ethnic groups with distinct traditions, values, and languages, which could represent to some extent a broader picture of female entrepreneurship in Afghanistan. Finally, since I have lived most of my life in Kabul, I found it practical to conduct the research in Kabul for time constraints as well as better mobility options for a female. If had to go to another province, culturally I should have had a *mahram* (a male family member) accompany me during my trip. Obviously, due to security circumstances, I could not risk the life of myself as well as another family member.

Research Limitations

This research has a number of limitations including the size and nature of the sample of subjects, the time available to gather data, limited information available on the topic, and research sites. First, I identified my 19 subjects using a strategy that focused on their active entrepreneurship and accessibility for interviews. This provided deep and

authentic information about their development as entrepreneurs. But they do not represent a scientific sample, and the stories of other women from different cultural groups and social classes might be different. Second, my two-and-a-half month field visit coincided with the Muslim holy month of Ramadan, when working hours throughout the country are reduced almost by half. Most of the participants I contacted were unwilling to meet me during that month. Therefore data collection occurred in a compressed time frame. Third, since female entrepreneurship is new in Afghanistan, there is limited official information available on the topic. In addition, some of the organizations I met did not have well-developed databases and lacked facts and figures about female owned-businesses.

In terms of the research sites, I had hoped to collect field data from two or more sites to get a larger picture of the topic, but security constraints prevented me from doing so. During my fieldwork, the country was going through a period of substantial insecurity in the aftermath of a chaotic and problematic presidential election. My initial intention was to collect data from Kabul City, where women enjoy better opportunities, and one or two provinces in other parts of the country, though such travel opportunities are limited. However, this plan was disrupted by an increase in dangerous incidents and I decided to limit my research site to Kabul City; though it may not be very safe, it is at least familiar to me as my hometown.

CHAPTER II

INTRODUCTION TO AFGHANISTAN

Country Profile

The Islamic Republic of Afghanistan, known as the heart of Asia⁵, is located in South Asia and has a total area of 652,230 sq km. (Figure 3 shows the location of Afghanistan in the world map.)⁶ Afghanistan shares borders with Iran in the west, Pakistan in the south and east, China in extreme northeast, and Tajikistan, Uzbekistan, and Turkmenistan in the north. Kabul is the capital city of Afghanistan. The country has a central government system with 34 provincial administrative divisions. The population of Afghanistan is estimated around 30 million as of 2013⁷, women and youth making up the majority (CIA Factbook, 2015). It ranks 40th in the world's population, with a population density of 45.7 people per square kilometer⁸. However, this density varies drastically, with large and relatively secure and developed cities, including the capital. According to the Afghanistan Central Statistic Office (CSO), the population density in Kabul is as high as 7,900 people per square kilometer⁹.

⁵ Muhammad Iqbal (Lahori), Pakistan's national poet, in his famous verses in Persian called Afghanistan the 'Heart of Asia' and said that if Asia's heart was sick, all of Asia would suffer (Ruttig, 2011).

⁶ The World Bank. (2014). Afghanistan. Retrieved on January 19, 2015 from <http://data.worldbank.org/country/afghanistan>

⁷ Central Statistics Organization. (2015). retrieved on May 4, 2015 from <http://cso.gov.af/en/page/1500/4722/2012-2-13>.

⁸ World Population Review. (2014). Retrieved on January 19, 2015 from <http://worldpopulationreview.com/countries/afghanistan-population/>

⁹ Newspaper 8a.m., Wednesday. Jadi 24, 1393 (2014). retrieved on April 15, 2015 from <http://8am.af/population-density-in-the-cable-close-to-hshthzar-people/>

The age structure of the Afghan population is illustrated in the population pyramid (Figure 4). Afghanistan has a young population; children and youth up to 24 years of age constitute the largest age group in the country, while only 2.4% of the population is over 64 years old. The average life expectancy is 58 for men and 61 for women¹⁰. The large young population adds further burden on the workforce, which must meet the needs of a larger dependent group. This situation also implies Todaro and Smith's (2012) "hidden momentum of growth," indicating that the population will rise as current children become parents. The other issue affecting Afghanistan's growth is its composition: more than 80% of its population is rural and illiterate (CIA Factbook, 2014). This significant divide between the urban and rural populations not only complicates the development process, as the economy aims to transition from its traditional agriculture focus to services and high-tech industrial work, but also explains the varying ideological perspectives across the country.

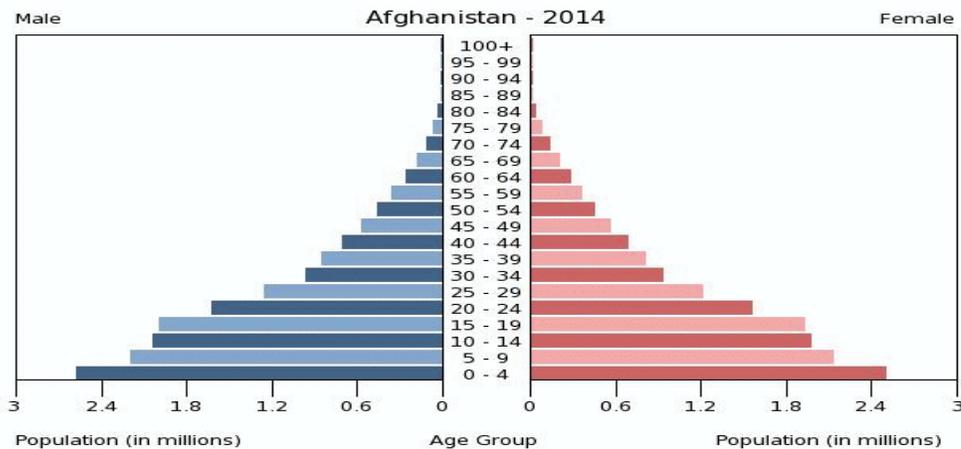
Figure 3. Afghanistan on the World's Map



Source: World Atlas <http://www.worldatlas.com/webimage/countrys/asia/af.htm>

¹⁰ World Health Organization. (2015). Afghanistan. Retrieved on May 04, 2015 from <http://www.who.int/countries/afg/en/>

Figure 4. Afghanistan Population Pyramid



Source: Index Mundi (2014), Afghanistan Age Structure
http://www.indexmundi.com/afghanistan/age_structure.html

Afghanistan is a nation of minorities (Jawad 1992): it is home to 12 ethnic groups. The major ones are Pashtun, Tajik, Hazar, Uzbek, Turkman, Aimaq, and a number of minority groups including Sikh and Hindu. These ethnicities are then further divided along tribal lines, causing intra-ethnic differences, but also in some cases bringing certain sub-groups closer to other ethnic groups based on some commonalities such as geographical location and language (Pourzand 1999, p.74). The proportion of these ethnic groups in the population is contested, in the absence of a precise and accurate national census. However, Pashtuns are believed to be the largest ethnic group, followed by Tajik and Hazaras, respectively. Each of their ethnic groups has their own language/dialect and culture (Their 1999).

More than 40 languages with numerous dialects are spoken in Afghanistan. The official languages are Dari (a Persian dialect) and Pashto. In terms of religion, 99% of the population follows Islam as their religion, while only 1% follows other religions (mostly Hinduism and Christianity). Afghanistan's written records refer back to prehistory. Evidence shows the existence of an urban civilization in the area as 3000-

2000 BC.¹¹ Given Afghanistan's tribal, traditional, martial, and independent traits and characteristics, it is one of the countries in the region that has never been colonized.

Economy

The economic system of Afghanistan transitioned from a planned to a free market economy in 2004. From 2003 to 2012, Afghanistan's economy experienced an average annual growth rate of 9%, mainly due to foreign aid. However, the challenges of the political and security transitions in recent years led to decreases in the Gross Domestic Product (GDP) from 11.6% in 2011 to 8.4% in 2014, and even further decrease is expected¹².

The main sectors contributing to Afghanistan's GDP include agriculture (26.74%), services (48.27%), and industry (21.39%)¹³. The fastest growing and contributing units in the service sectors have been communications (66%), financial and business services (26%), government services (20%) and transportation (14%)¹⁴. The total workforce increased from 10 million to 15 million people over the last ten years.

Given that 70-80% of the Afghan population resides in rural areas, rural development will remain crucial in sustaining growth, and agriculture is a key element. The Afghan economy is heavily reliant on agriculture and animal husbandry, which employs around two-thirds of the working population, followed by the service sector

¹¹ Library of Congress Country Studies. (1997). Afghanistan-The pre-Islamic period, Retrieved on May 11, 2015 from <http://lcweb2.loc.gov/cgi-bin/query/r?frd/cstdy:@field%28DOCID+af0002%29>

¹² World Bank. (2015). Afghanistan Overview. Retried on May 7, 2015 from <http://www.worldbank.org/en/country/afghanistan/overview>

¹³ Central Statistic Organization. (2012). "Afghanistan statistical yearbook, 2011-12" (Kabul: CSO, 2012).

¹⁴ World Bank. (2014). Afghanistan in Transition: Looking Beyond 2014 Volume 2: Main Report

(24%), and the industrial sector (12%)¹⁵. As agriculture is highly related to weather conditions and prone to natural disaster, such as the floods that are common in Afghanistan, economic growth is unpredictable. Agriculture has been a very important source of income and growth for many years; however, the illicit production of opium still dominates the agriculture sector, accounting for nearly half of overall agricultural production (World Bank, 2014).

One of the important components of the Afghan economy has been foreign aid, helping the country to recover from war and make progress across all sectors. Since 2001, Afghanistan has received about \$70 billion in aid¹⁶¹⁷. Despite its benefits, it has made the country very dependent on aid and can pose serious threats to the survival of the economy in the long run. Loss of foreign aid will hit poor people the hardest particularly as 36%¹⁸ of the population lives below the poverty line in Afghanistan.

In the last 15 years, due to its free-market economy, Afghanistan has attracted thousands of national and international businesses, providing many opportunities for work with high profit margins in telecommunications, transportation, private security, agribusiness, hydrocarbons, and mining. However, the government was not fully capable of absorbing and sustaining or even facilitating these investments. The Enterprise Survey

¹⁵ Islamic Republic of Afghanistan, Ministry of Economy. (2011). "Afghanistan Provincial Briefs 2011", retrieved on May 7, 2015 from <http://moec.gov.af/Content/files/Last%20updated%20english.pdf>

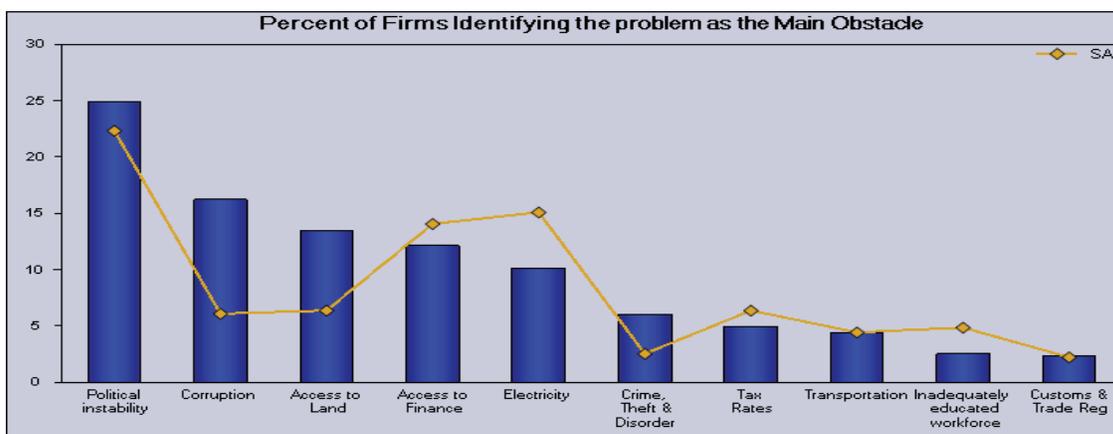
¹⁶ Ministry of Finance, Islamic Republic of Afghanistan. (2012). "Development Cooperation Report 2012", Aid Management Directorate, Budget Department

¹⁷ As of July 2012, the total amount pledged to Afghanistan since 2002 is \$119 billion, however only 70 billion of it has been disbursed. Also these figures stand for the external assistance reported to the Ministry of Finance. It does not cover the amount spent otherwise. Source: Ministry of Finance. (2012). Development Cooperation Report, Retrieved on April 30 from <http://mfa.gov.af/Content/files/Development%20Cooperation%20Report%20-%202012.pdf>.

¹⁸ Afghanistan Statistical Yearbook. (2011-12). Retrieve on May 7, 2015 from [http://cso.gov.af/content/files/preface \(2\).pdf](http://cso.gov.af/content/files/preface%20(2).pdf)

by the World Bank indicates that some of the biggest obstacles identified by Afghan businesses are: political instability, corruption, and access to land, followed by other issues, as highlighted on the Figure 5. These barriers have affected economic growth and have discouraged human and financial investments in the country (World Bank: Enterprise Survey, 2014).

Figure 5. Percentage of Firms Identifying the Main Obstacles for Business



Source: World Bank Enterprise Survey 2014, Afghanistan, <http://www.enterprisesurveys.org/~media/GIAWB/EnterpriseSurveys/Documents/Profiles/English/afghanistan-2014.pdf>

Women’s participation in the economy is low due to social and traditional norms. Only half of women of working age (15-64 years old) are in the labor force in either formal or informal economies (Building Markets Report, 2013). The majority of them are mainly involved in the informal economy, which is basically casual employment at a low level of organization. Women’s work is usually considered ‘reproductive’ labor, which is unpaid labor within a household to ensure the functioning of the family. It is often underestimated (World Bank, 2013). In the informal economy, women are heavily involved in agriculture, livestock, and poultry. According to the AREU report (2013), 32% of economically active women were engaged in agriculture in 2010. In livestock, particularly, their contribution is high, as they do almost everything in this sector, from taking care of the animals to producing dairy products; however, the selling and purchasing is still done largely by men. In the public sector women account for 21% of

employees, while in the private sector they are even less well represented due to significant barriers they face, including social, financial, traditional expectations (World Bank, 2013).

Women's Status in Afghanistan

In Afghanistan, “classic patriarchy” (Kandiyoti 1988) is practiced which entails male dominance and women's subordination, as well as certain codes of behavior particularly for women that link the honor of the family with the virtue of women. (Moghadam 2004). Women, in addition to being considered the honor of the family, bear the burden of being the nation's honor as well. The following quote from the World Bank Country Gender Assessment (World Bank, 2005) captures the realities of women in Afghanistan very well.

In Afghanistan, the role of women and their position in the society are inextricably interlined with the national destiny. Women are symbols of family honor but also carry the burden of embodying the national honor and aspirations of the country. Gender has thus been one of the most politicized issues in Afghanistan over the past 100 years, where many reform attempts rightly or wrongly have been condemned by opponents as un-Islamic and a challenge to the sanctity of the faith and family. Notions of honor and shame underpinning cultural norms and practices emphasize female modesty and purity and define men as breadwinners and the protectors of the family. In 1920, the reformist king Amanullah's government fell soon after he tried to impose social reforms including the abolition of *purdah* (separation and veiling of women) and establishment of coeducation.” (World Bank, 2005, p. 5)

Being the center of family and family's and nation's honor has hugely impacted women's daily life. It has trapped them in *purdah* (veiling) and confined their activities and expression of talent to the domestic sphere (Ahmed-Gosh 2003). Most importantly, in addition to subjecting them to the control of others, it has exposed them to severe risks at both family and society levels. Any deviation from the

traditional way of living is often considered as damaging to the honor of one's family and the nation. Women who break with tradition pay a very high cost, ranging from increased restrictions in everyday choice and mobility to forced marriage, imprisonment, and honor killing. To protect the honor of the family and tribe, women's actions and behavior are strictly controlled by the male family members and by society. They are treated as property of men and paradigm of political views and beliefs of the politicians. Every political change has impacted women's lives in one way or another: from the reformist King Amanullah Khan [1920s] to the extremist Taliban [1990s] to the current government, women have gone through drastic changes. Women's rights have become a "bargaining chip" in the political power arena in Afghanistan (Kouvo 2012). This uncertainty at the macro levels has made the future for Afghan women so unpredictable that even today, with relatively improved prospects and definite achievements in their social and political status, they fear losing everything and moving backward. The ongoing Taliban insurgency in the country and the withdrawal of the international community adds to this fear, especially for women who work outside the home and have always been targeted by the Taliban. Ahmed-Ghosh (2003, p. 2) argues, "Women in Afghanistan are not an isolated institution; their fate is entwined with and determined by historical, political, social, and religious forces."

Gender as a social construct of the roles and relations of men and women is another determinant of Afghan women's status. The social construction of gender is the way gender is created, shaped, and presented, based on an individual's sex (Cranny-Francis et al., 2003, p.1). An individual's experience is shaped by the way

gender is constructed and perceived in society, which in turn affects the individual's actions and behaviors. Gender as a product of social doing (West and Zimmerman 1987), and a "process of creating distinguishable social statuses for the assignment of rights and responsibilities" (Lorber & Farrell 1991, p. 101) variably impacts the lives of men and women in a society. This assignment is not based on their natural capacities; rather, it is based on how they are perceived. This in turn affects the way men and women view their own capacities, how they interact with social expectations and how other institutions such as the state and market, in terms of opportunities and resources, treat them based on their gender (Kabeer 1994). Based on this social construct, women are often assumed to be weak, dependent, submissive, gentle, kind, and obedient while men are considered to be physically, economically, and socially strong and powerful. This dichotomy gives men a sense of ownership when it comes to women and allows them to think of women as their property (Bennett & Manderson, 2003, p.9). Afghanistan is not an exception to this way of constructing gender. As a patriarchal society where, in addition to rigid gender roles and relations, the divide of public and private spaces is clear and men control both (Moghadam 2004). Women's role is defined as caregiver in the domestic sphere where men are their protectors and providers. Based on this notion, most Afghan families prefer having a son, as he will eventually become the protector and provider for the family and the family's honor is not at risk due to his actions. Therefore, any investment on him, including providing him with good education, becomes a priority. This negatively affects girls, especially in poorer families where paying for boys' education is given priority over paying for girls' education. In many poor families,

girls' engagement in education is seen to involve steep opportunity costs, especially if they are involved in any family income generation activity (e.g., dairy or gardening) or in doing house chores. This shows how gender is institutionalized, with home as the initial institution. Institutionalized gender is “the ways that gender is rooted in and expressed through these large social systems, through the different response, value, expectations, roles, and responsibilities given to individuals and groups according to gender” (Johnson et al., 2007 as cited in Johnson & Repta, 2012, p.21).

Although Afghanistan is a Muslim country and a great majority of its people practices Islam as their religion, Afghan tradition overtakes religion in many cases. While Islam has given women rights to education, inheritance, property ownership, and so on, tradition has constrained these rights. As a result of these traditional constraints on full social and economic participation of almost half the country's population, “Afghanistan ranks among the lowest in the world in human development (173rd of 177 countries) and human poverty indices (3rd poorest)” (NAPWA, 2008, p. 2). The implications of such gendered traditional practices worsened by the political and security instability and decades of war in the country are evident in all aspects of women's lives, creating huge gender inequality in the society. The most obvious gender gap is in literacy rate, which is 45.5 % for men and 17.6% for women¹⁹. Similarly in terms of employment, women's labor force participation is almost half of men's participation (47% vs. 86%) (World Bank, 2013).

Rigid traditional norms impede women's public participation and income generation activities. At the domestic level they have always contributed to the family

¹⁹ Central Intelligence Agency (CIA). (2015). Retrieved on May 9 from <https://www.cia.gov/library/publications/the-world-factbook/geos/af.html>

economy by heavy involvement in agriculture and animal husbandry, work that is not recognized or paid. This contributes to the reproduction of their subordination and strengthens the patriarchal system as a whole (Moghadam 2004). Even after acquiring high education and employable skill, the majority of women are not allowed to work outside home. They are kept at home to keep them segregated from men, to protect the family honor, and to avoid interfering with the male family member's role as provider or making it look like the men cannot fulfill their role. "Traditional codes could often prevent the social acknowledgement of women's equal ability to earn an income, reiterate the concept of man as breadwinner and woman as homemaker, and prevent women's access to both acknowledgement of their labor and to greater, formal participation in economic activities" (AREU, 2013, p. 5).

It would be wrong to assume that in Afghanistan all men are oppressive and all women are victims. Rather the social construction of gender emerges from the nature of the Afghan society, in which adhering to culture values and norms leads to social recognition and respect (Eggerman & Panter-Brick, 2010). While it can be a burden on both men, who may be overwhelmed by the demands of being the only provider, and women, who suffer from economic dependence), any deviation from social expectations will bring bad name and bad reputation to them. Notwithstanding this, some men and women have accepted this risk and tried to transcend these norms. My research participants and their male family members are good examples of this.

Women in Afghanistan have been resilient, and while trying to cope with any given circumstances, they have been striving to improve their status by challenging patriarchy. In endeavoring this change, the role of governments and the ruling regimes were critical.

Moghadam (2004) highlights the role of state policy and argues that “the nature of the political system, objective of state managers, and orientation of the ruling elites constitute crucial factors in the equation that determines the legal stature and social position of women” (Moghadam 2004, p.147). This has been evident in the case of Afghan women, from the Taliban ruling that even their right to education and access to health were denied. Since their overfall in 2001, under the auspices of international actors, the regime now promotes women’s legal status as equal to those of men.

Following the fall of the Taliban and the U.S. invasion in 2001, Afghanistan witnessed major changes in its political and economical arenas. Forgotten by the world for six years during the Taliban’s dictatorship, after 9/11 Afghanistan suddenly became the focus of international attention. This attention led to the toppling of the oppressive Taliban regime and establishment of the new government, strongly backed by the international community led by the United States. These changes impacted Afghan women’s lives. After six years of oppression, torture, and confinement in their homes, women received special treatment under the new government. The commencement of this major shift was the Bonn Agreement in December 2001, laying a foundation for the establishment of a democratic and sustainable government in Afghanistan. The agreement recognized women’s participation in all processes of peace, reconciliation, and development in Afghanistan and stressed the need for attention to women’s rights and their status, as well as their political participation (National Action Plan for the Women of Afghanistan (NAPWA), 2008). To ensure their participation and improve their status, the government came up with a number of measures and frameworks.

In 2002 as one of the first moves towards this goal, Hamid Karzai, then the Interim President of Afghanistan, signed the Declaration of the Essential rights for

Afghan Women, calling for “equality between men and women, equal protection under the law, institutional education in all disciplines, freedom of movement, freedom of speech and political participation, and the right to wear or not wear the burqa or scarf” (Sultan, 2005, p. 7). The interim government not only reopened schools for girls and allowed women to rejoin their offices, but also appointed a number of women in ministerial and other senior positions in the government. Furthermore, as a clear gesture of his support for women’s political participation, the President announced the appointment of 25 women, fully half of his appointed delegates, for the Loya Jirga (grant assembly) to write a new constitution. The new constitution (2004) of Afghanistan, which is based on the country’s 1964 constitution (especially in terms of granting equal rights for men and women), enshrines equal and non-discriminatory rights and duties between men and women. The provision of a quota for women’s political participation has been very effective. Article 83 of the constitution sets the quota of 25% of seats in the lower house and 17% of seats in the upper house for women. As a result of this, in the current National Assembly, women occupy 28% of the total seats.

Similarly, Afghanistan signed and ratified a number international treaties and conventions, which serve as framework for national laws and strategies for empowering women. These include the International Human Rights treaty, Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW), and 19 of the International Labor Organization conventions, including the one on “equal remuneration for work of equal value and non-discrimination in employment and occupation” (AREU, 2013, p. 8). At the national level, the

Afghanistan National Development Strategy 2008-2013 (ANDS), one of the most important national documents serving as the framework for all development work in Afghanistan, affirmed gender equality as a cross-cutting issue. It requires all its implementers and stockholders to achieve certain benchmarks towards gender equality.

Another important institutional step taken by the government towards improving women's social and legal positions was the establishment of the Ministry of Women's Affairs (MoWA). Its mandate is to "support the government in responding to the needs and issues affecting women in all aspects of life to attain gender equality and full enjoyment of women's human rights, and to ensure that Afghanistan women's legal, economic, social, political, and civic rights—including their right to be free from all forms of violence and discrimination—are respected, promoted, and fulfilled" (Sultan 2013, p. 10). This institution was established in 1943 on a much smaller scale and was called Women's Grand Organization²⁰. The ministry has developed a gender-mainstreaming strategy called "National Action Plan for the Women of Afghanistan" 2008-2018 (NAPWA). It has two main goals: gender equality and women's empowerment. The progress towards achieving NAPWA's goals has been slow, partly due to the role and position of MOWA and issues related to enforceability of the action plan within other ministries (Afghanistan Research and Evaluation Unit (AREU), 2013). MOWA is working closely with other ministries and it has helped a large number of ministries to establish gender units.

²⁰ Ministry of Women Affairs. (2015). Retrieved on May 8, 2015 from <http://mowa.gov.af/en/page/1331/1332>

In 2005, Afghanistan committed itself to achieve the defined Millennium Development Goals by 2020. A number of its goals—such as achieving universal primary education, promoting gender equality and empowering women, reducing child mortality, and improving maternal health—have a direct impact on women. Based on a 2010 assessment, some progress has been made towards these goals; however progress has been very slow for Goal 3: “promote gender equality and empower women” (World Bank, 2013, p. 28). Setting quotas for women’s participation in the Parliament and in some government flagship programs (such as the National Solidarity Program which empowers communities and involves them in community development) have been concrete and successful measures to involve women and improve their status. Similarly, the government has remained committed to appoint women (though the percentage is still very low) to senior positions; Ministers (4 in the current cabinet), a couple of female Governors, and so forth. The result of these actions at the national level has been satisfactory, but at the local level it has been very low. There are a number of reasons that explain this including the limited number of qualified women for senior positions, the conservative social nature in rural areas as well as security threats imposed by the Taliban.

All these legal reforms and progressive actions and policies now in place, together with the strong economic and political support of the international community having women’s rights on the top of their agenda, have paved the way for considerable social transformation in women’s rights and status in both family and society, particular in cities if not the whole country. Economic changes, especially Official Development Assistance through development projects and their support for

women's participation, have further facilitated this process. At the grassroots level, migration and exposure to the other cultures have also contributed to this change. Millions of Afghans fled the country and went to Pakistan, Iran and other countries following the December 1979 Russian invasion. This affected the migrants in different ways, including being distanced from the rigid social and traditional norms and practices and exposing them to a new environment. They experienced women, either due to financial necessity or out of finding other socially acceptable ways of being away from their traditional practices, entered the job market (AREU, 2013a). Furthermore, media and civil society have also played fundamental roles in bringing about social changes. Working at the grassroots level, they have engaged heavily in promoting women's rights, raising awareness among people, working with religious and influential community elders, and at the same time working closely with the government in providing information and raising the voice of people to make this change possible (AREU, 2013a). In addition to these factors, the role played by women themselves cannot be neglected. Both as subject and object of the change, women have challenged patriarchal norms using different strategies, sometimes overtly in a rebellious way though most often covertly by conforming to – and then bending — the norms. Deniz Kandiyoti (1988) defines these strategies as “patriarchal bargains” which, according to her, can be active or passive based on the nature of patriarchy. She further argues that these ‘bargains’ help women in resisting oppression and introduce new ways of negotiating gender relations.

All of these factors and efforts have contributed to unprecedented social changes, especially in the secure urban areas. These changes include a significant

increase in the number of girls in schools; increased number of female doctors and midwives; an increased number of women in the labor force; women's unprecedented political participation as voters as well as candidates even as presidential candidates; the entry of women in the national police and national army (including having the first female military pilot); a large number of women studying abroad (including myself) and traveling for business (some of them with male family members and others even without); and active participation of women as civil society activists. In a rebellious way, female civil society activists—in response to a mob killing of a young girl on March 19, 2015 in downtown Kabul on the accusation of burning a Quran—carried her coffin to the grave, which is usually done by men. On the same occasion, they didn't allow an influential religious leader, who had justified her killing, to attend the burial ceremony. Recently, people have also started questioning some religious and social practices. As rightly pointed in the AREU (2013a), this can be attributed to the increased level of education among youth. It is particularly true in the case of women as their education and new forms of employment improve their self-perception and subsequently change patriarchal practices (Moghadam 2004).

As part of all these positive changes both at the national and individual levels, women have entered business as entrepreneurs and business owners as well. However, despite all the strategies and frameworks in place, in practice very little has been done on women's economic engagement. The government has not translated most of these policies into action. Although they welcome women-owned businesses, they haven't instituted any affirmative action to make their entry easier. They treat women the same way as men, ignoring their financial and social constraints. The only

affirmative action I came across during my meetings with relevant organizations was from the Afghanistan Chamber of Commerce and Industries (ACCI) who provide technical support to female entrepreneurs without charging them. They also provide these women with one-grade higher services than their actual membership level includes. This is discussed in detail in Chapter IV. The Ministry of Commerce and Industries has recently established the Small and Medium Enterprises (SME) Department, which is headed by a very strong and passionate woman, Ms. Fazila Azizi. Her department developed SME policy for eight sectors, and for each of these sectors they developed an action plan and working groups consisting of all stakeholders, including entrepreneurs. She noticed the low representation of women in these groups, as women due to social and traditional norms were not comfortable working in the same groups with men. To address this problem, they created women's groups, composed of female entrepreneurs who come together once a month discuss their problems and discuss the action plan for their respective sectors. This clearly shows the importance of having women in leading positions, because they understand other women's problems and come up with solutions. Other women feel comfortable coming to her office and working with her. In my meetings with these organizations, however, I noticed a lack of coordination among them. Each one has targeted a number of women and their businesses in a very *ad hoc* fashion. They all organize national and international exhibitions and invite women. The problem arises when only a small number of women benefit from these initiatives, while many who could benefit from the group don't even know about it. Without coordination and a strong outreach policy in these organizations, women in rural areas or those who lack strong

networking do not learn about these programs and never get the chance to participate. I noticed that among my study participants, those who were educated enjoyed stronger networks. They had memberships with all these organizations and were invited to almost every event hosted by these organizations. In terms of international exhibitions, some of the female entrepreneurs said that most of the time due to the high traveling cost they cannot participate, though I believe that social values and norms play a role as well.

The international community's engagement in Afghanistan since 2001 has brought huge economic opportunities, mostly in the form of development projects and programs, along with political and military assistance. In most of the projects, gender is a cross-cutting issue. However a number of projects have been geared directly towards boosting women's economic empowerment. One of these projects is 'Peace Through Business', which is funded by the United States and is implemented by the Institute for Economic Empowerment of Women located in the U.S. According to Manizha Wafeq, who is the in-country manager of this program, in the last eight years, the program has trained around 200 female entrepreneurs in a six-month long, in-country training with a three-week study visit to the United States. Another similar program is the 'Goldman Sach's 10,000 Women', which has trained 300 women. It has recently finished its program in Afghanistan. Most participants in my study were trainees in these programs and found them very useful, not only for learning but also for networking and gaining moral support from each other.

Recently USAID launched one of its biggest programs for women's empowerment called "PROMOTE" with an initial budget of \$216 million for 5 years.

It aims to reach out directly to 75,000 women in Afghanistan, providing scholarships in the areas of leadership development, economic empowerment, governance, and strengthening civil society. The World Bank also funds a number of projects, which aim to support the private sector and ensure that women also benefit from these projects. One example of such projects is “Afghanistan Rural Enterprise Development,” which has the goal of making women compose at least 35% of its beneficiaries.

Despite all these national and international programs, the gender gap in the country, particularly in the private sector, remains substantial. Some criticize these projects and programs and question their sustainability; however, I believe that through these projects women have learned new skills and gained confidence in entering non-traditional sectors.

These efforts ranged from women’s collective movements to individual determination. At present although their efforts are constrained by insecurity and life threats, they find the political environment suitable for renegotiating their role in both public and domestic spheres. They are trying to challenge social norms by referring to the Islamic principles. For example, in the case of inheritance, one of the research participants said that she claimed her share in her father’s property based on the Islamic provisions about inheritance, in the face of a traditional practice of denying her claim. Similarly women justify their presence in business by giving the example of the Prophet’s wife Khadija, who was a successful businesswoman.

Since 2001, with the support and assistance of the international community, the government of Afghanistan has also showed political commitment to improving women’s

participation in all spheres of life. This political will is reflected more in the legal frameworks such as the Afghan constitution and other laws, although the full enforcement of these laws and adequate practical measures remain to be seen. The current government has made strong commitment towards improving women's lives and making efforts to engage them more meaningfully in all processes. The President, as promised during his electoral campaign, appointed four female ministers to his cabinet. His views on the participation of women and youth is that "Without focusing on youth and without the economic empowerment of youth, women, and the poor, the three majorities, numerical majorities, that are political and economic minorities, you cannot have stability."²¹ This is good news for Afghan women; however, to what extent it is translated into action is yet to seen.

²¹ Council on Foreign Relations. (March 26, 2015). The Road Ahead for Afghanistan, A Conversation With Ashraf Ghani. Retrieved on My 10, 2015 from <http://www.cfr.org/afghanistan/road-ahead-afghanistan/p36304>.

CHAPTER III

WHAT IS ENTREPRENEURSHIP?

For the purpose of this study, it is important to establish an understanding of the term “entrepreneurship” and its characteristics, with special attention to the nature of female entrepreneurship.

The concept of entrepreneurship goes back to the era of non-monetary exchange systems. Entrepreneurship entered the economic sciences in the eighteenth century, but due to the lack of consensus on the definition of entrepreneurship and the role of entrepreneurs, and because Marxist ideology linked it closely to capitalism, the concept was neglected in the economic sciences. Instead it made its way into the social sciences for its leadership characteristics. Finally in the 20th century, the term once again came under the radar of economic sciences and was discussed in economic development theories (Hebert & Link, 2009).

The definitions of entrepreneur and entrepreneurship have been contested in the literature due to the breadth of the terms’ use. Scholars have come up with different definitions based on how inclusively or exclusively they want to study the field. Some scholars studied it from an individual perspective, while others considered it functionally (McKenzie et al., 2007). According to Gartner (1988, p. 26), “Entrepreneurship is the creation of a new organization.” While criticizing this definition for its simplicity, McKenzie et al. (2007) advocate for a broader and more inclusive definition, useful in other fields of study, not only business.

Definition and Characteristics of Entrepreneurship

The term “entrepreneur” has been in use for more than two centuries. It is derived from a French word “entreprendre,” which means “to undertake.” Based on its historical use in French, it involves factors of risk taking and management (Bridge et al., 2003; Chell, 2007). In different professions, it has different meanings. For example, in economics an entrepreneur is someone whose efforts are focused on gaining economic returns by exploiting resources, whereas in psychology it involves achievement, accomplishment, and escaping “the authority others” (Hisrich et al., 2010, p.6). McKenzie et al. (2007), drawing on a number of earlier definitions, suggest a more inclusive definition to capture all modes of “opportunity exploitation,” applicable not only in business, but also in other fields. Their proposed definition is “entrepreneurship involves individuals and groups of individuals seeking and exploiting economic opportunities;” it is a process influenced by the existing opportunities, intention, capacity, and motivation of individuals or groups (McKenzie et al., 2007, p.30). In this definition, by capacity they mean human capital, which includes the knowledge and skills of entrepreneurs.

Albert Shapero (1975) writes that despite the differences in the definition of the term there is agreement on the behavior of entrepreneurs: “initiative taking,” “organizing and reorganizing social and economic mechanisms to bundle resources in innovative ways,” and operating in the context of “risk, uncertainty and/or the potential of failure” (as cited in Hisrich et al., 2010, p. 6). These behaviors are guided by different monetary and non-monetary motivations, including being one’s own boss, achieving a goal, and earning a reward or recognition (Lambing & Kuehl 1997, p. 15). These motivations can

be sorted into three categories: economic (unemployment, financial needs, etc.), social (schedule flexibility, work-life balance, satisfaction in job), and personal (independence, desire for achievement, being own one's own boss, improving social status, etc.) (Holmén et al., 2011).

Scholars have come up with different definitions and theories of entrepreneurship based on how they see it. It has been defined and discussed as an ability, a process, and an action. For example, Stefan Kwiatkowski (2004, p. 218) explains entrepreneurship as the ability to manage two major factors: opportunity and resources,

Entrepreneurship is above all the ability to perceive opportunities and to tap resources necessary to exploit them. In defining entrepreneurship as ability, one accentuates the fact that it does not have to be equally distributed among people. It can be both learned and taught.

He argues that entrepreneurship is an ability that can be learned like any other ability.

Acquiring this ability will help individuals to recognize the opportunities that may not otherwise have been obvious and the resources available to exploit these opportunities.

He further emphasizes the importance of knowledge and social capital—basically networks—as necessary tools for being a successful entrepreneur (Kwiatkowski 2004).

Entrepreneurship has also been defined as a process that happens over time and involves a number of procedures. In their book *Entrepreneurship*, Hisrich et al. (2010, p.6) write,

Entrepreneurship is the process of creating something new with value by devoting the necessary time and effort; assuming the accompanying financial, psychic, and social risks and uncertainties; and receiving the resulting rewards of monetary and personal satisfaction.

They summarize the entrepreneurial process in three major steps: “finding, evaluating, and developing opportunities for creating new ventures” (Hisrich et al., 2010. p. 25). And

finally entrepreneurship as action is defined by Jeffrey A. Timmons in his work

Entrepreneurial Mind (1994). According to him,

Entrepreneurship is a human, creative act that builds something of value from practically nothing. It is the pursuit of opportunity regardless of resources, or lack of resources at hand. It requires a vision and the passion and commitment to lead others in the pursuit of that vision. It requires a willingness to take calculated risks. (quoted in Lambing & Kuehl, 1997, p. 10)

This definition contradicts the definition of entrepreneurship as ability for which resources are central. For Timmons (1994), it is the entrepreneur's vision and passion that act as the driving force. A large number of scholars believe that the definition and theory given by Joseph Schumpeter, a world-leading economist, constitutes the basis for all other definitions and theories (Bridge et al., 2003; Herbert & Link, 2009; Bull & Willard, 1993). According to Schumpeter's definition, which is based on economic outcomes, an entrepreneur is someone who creates and introduces new combinations or innovations in business. This can be anything: new market, new resources, new organization, new way of producing, and so on (Herbert & Link, 2009), triggering discontinuity or distraction in the already established environment (Bridge et al., 2003). While strongly supporting Schumpeter's theory, Bull and Willard, in their study of theories of entrepreneurship, argue that the quest for a more precise definition can be misleading. Building on Schumpeter's work, they propose a tentative theory (Bull & Willard, 1993, p. 183),

A person will carry out a new combination, causing discontinuity under conditions of:

1. Task-related motivations
2. Expertise
3. Expectation of personal gains, and
4. A supportive environment

For the purpose of my thesis, the above-mentioned theory is the most relevant for understanding Afghan female entrepreneurs. It captures not only the economic aspects

(e.g. outcome), but also several factors that are pivotal in explaining social and psychological aspects of female entrepreneurship. The first factor is the source of motivation for the work. According to Bull and Willard (1993), the motivation can be social or personal, depending on whether they want to achieve better monetary rewards or social values associated with their work. The second factor is the nature of the source of entrepreneurs' knowledge and expertise in the field in which they are working. Bull and Willard (1993) refer to a number of studies finding that the expertise usually comes from employment termed as "incubator," i.e., work the entrepreneur had before establishing her/his business. In the incubation period, entrepreneurs build networks and confidence that they know what to do and how to do it. The third factor is the need for personal gain. Bull and Willard (1993) refer to the Shapero and Sokol (1982) idea that the combined effects of social, cultural, and personal factors can generate entrepreneurship to achieve personal gains. Negative events, such losing a job, losing a spouse, not being well rewarded or recognized, or not seeing incentive in one's job further expedites this. And finally, the environment—the context provided by family, culture, and policy—is very crucial. It can positively or negatively impacts the entrepreneurs' work (Bull & Willard, 1993, p. 188-191).

In a review of the various definitions of entrepreneurship, Vanderwerf and Brush (1989) established that all definitions agree that it is a business activity involving a number of human behaviors such as creation, management, risk acceptance, and innovation. At the heart of entrepreneurship are human behavioral and traits. These include the desire for achievement, motivation, risk taking and managing the risk, locus of control, desire for independence, creativity, self-confidence, determination, initiative and innovation, passion for business, and grabbing opportunities (Lambing & Kuehl,

1997; Bridge et al., 2003). Referring to the body of literature, Dzisi (2008, p. 47) notes further characteristics that are more relevant to women entrepreneurs, including “making difference, transforming, and finding new ways of doing business and satisfying their clients.”

Although entrepreneurship is understood to have many distinguishing features, sometimes the terms “entrepreneurship” and “small business or enterprise” are used interchangeably (Bridge et al., 2003). What differentiates them is the element of innovation, according to Carland et al. (1984, p. 358),

Small business venture: a small business venture is any business that is independently owned and operated, not dominant in its field, and does not engage in any new marketing or innovative practices.

Entrepreneurial venture: is one that engages in at least one of Schumpeter’s four categories of behavior [introducing new goods, using new methods of production, opening new markets and/or new sources of supply, and reorganizing an industry]: that is, the principle of goals of an entrepreneurial venture are profitability and growth and the business is characterized by innovative strategic practices.

To explain the difference between entrepreneurial and other ways of doing business, Gibb (1987) compared the focus of formal business education to that of entrepreneurial preparation. According to him, the focus of business education is “the past, critical analysis, knowledge, passive understanding, absolute detachment, manipulation of symbols, written communication and neutrality, and concept.” In contrast, for entrepreneurship the focus is “the future, creativity, insight, active learning, emotional involvement, manipulation of events, personal communication and influence, and problem or opportunity” (Bridge, et al., 2003, p. 40).

In making this distinction, Chell et al. (1991, p. 8) consider a set of characteristics such as “opportunistic, innovative, creative, imaginative, ideas-people, proactive and agents of change.” For them, entrepreneurs, “are restless and get bored easily”; they are

people who proactively seize the existing opportunity without worrying about the required resources, confident that resources will be found. Business owners, on the other hand, are “caretakers” (Chell et al., 1991).

According to Schumpeter’s theory, people characterized by these distinguishing behaviors are considered entrepreneurs; others are business managers (Schumpeter 1934 cited in Chell 1985). Chell (1985) believes that entrepreneurial behaviors can be learned, but there is no consensus on this (Lambing & Kuehl, 1997, p. 12).

Some scholars have come up with classifications even within the category ‘entrepreneur’. For example, “nascent entrepreneurs” (Aldrich 1999, p.77), who give “serious thought to the new business” (Aldrich 1999, p. 77); “novice entrepreneurs” are completely new to business; “habitual entrepreneurs” have experience in establishing businesses prior the current one (Birley & Westhead, 1993, p. 40); “serial entrepreneurs” who found, disengage and establish a further business; and “portfolio entrepreneurs” who retain the businesses they found, inherit or purchase” (Chell 1985, p. 9). The participants in this research mostly fall under the categories of novice and portfolio entrepreneurs. Since they are still new in this field and they are introducing new products/services and practices with the element of risk taking and exploiting opportunities, they are considered entrepreneurs. Jenkins and Johnson (1997) suggest that after about five years of stable and profitable performance, a business no longer belongs in the realm of “entrepreneurial” activity, having become part of the regular economy.

Female Entrepreneurship

Historically, entrepreneurship has been a male-dominated field, especially in the context of business (Bridge et al., 2003). Until the late 20th century, the number of

women entrepreneurs worldwide was very limited and they worked in only a few business sectors. Since then the number has increased; however, the lack of accurate data makes it difficult to estimate their number and share in market (Marlow & McAdam, 2013). Notwithstanding this increase, there is a huge gap between the number of women-owned businesses and those owned by men (Bridge et al., 2003). This imbalance arises from the patriarchal attitudes in most parts of the world. For example, not long ago in Britain, after marriage women were expected to quit their jobs and stay at home. In addition to patriarchy, “personal desire, ability... and perceived social norms” have also limited the number of female entrepreneurs and female owned-businesses (Bridge et al., 2003, p. 87). The social perception linking entrepreneurship with men has resulted in less visibility of women in this field, as well as causing it to remain understudied (De Bruin et al., 2006). Furthermore, since most of the definitions and theories of entrepreneurship are quite general, not gender specific, and are based on male participants and their experience, they may not be well informed on female entrepreneurs’ perspectives and characteristics (Hurely 1991 cited in De Bruin et al., 2006). Therefore, the need is imperative for further studies not only to include female entrepreneurship aspects, but also to capture the differences within female entrepreneurship, as they are not and should not be considered as one constant group (De Bruin et al., 2006).

Marlow and Patton (2005, p. 718), building on earlier definitions used by other scholars, refer to women entrepreneurs as those “who have initiated a business, are actively involved in its management, and own a majority share of the enterprise.” Female entrepreneurship has increased worldwide since early 1970s (Boros 2008). Entrepreneurship as a profession has increasingly become popular among women for several reasons. Heilman and Chen (2003) found that reasons include the desire for self-

employment and work-life balance, the opinion that entrepreneurship is their best option²², frustration as employees subjected to unfair treatment, and all other gendered behaviors, attitudes, stereotypes, and perceptions of female employees. They wrote that “[a]lthough the allure of entrepreneurship is great, it is not a cure-all for the ills that beset women and minorities in an organization” (p. 360). They further argue that the same stereotypes will affect women entrepreneurs, especially at the early stages of their business, in terms of finding and attracting clients, staff, and supplies.

Despite the belief that entrepreneurship offers better promise for women, in general there are fewer female entrepreneurs than male entrepreneurs (Acs et al., 2005), which explain how the field is gendered (Gupta et al., 2009). Based on the findings of their research in three countries—the U.S., India and Turkey—involving more than 2000 respondents (all business students), Gupta et al. (2009, p. 412) found that “gender characterization, in the form of gender-stereotypes and gender identification, is related to perceptions and the intentions to become an entrepreneur.” Their findings confirm that entrepreneurship is seen as more appropriate for men, and this influences women’s choice about whether to enter this field. They found that:

Women may be deterred from entrepreneurship not because they do not see entrepreneurship as consistent with feminine characteristics, but because resource providers (e.g., lenders, suppliers, customers) and men in their lives (their partners, husbands, fathers, and/or sons) do not associate entrepreneurship with feminine characteristics and consequently may not support them in starting their own business. (p.410)

²² This applies particularly to traditional entrepreneurs who have no or limited education and see entrepreneurship as a productive option for both career and social mobility reasons. (Heilman & Chen, 2003; Marlow & Patton, 2005)

These gender-stereotypes and socially constructed characteristics of male and female that further strengthen the feminine and masculine binary have adversely impacted female entrepreneurship (Marlow and Patton, 2005; Gupta et al., 2009; Greene et al., 2003).

Based on their education level and acquired skills, female entrepreneurs' work may be divided into two loose categories: traditional and non-traditional (Heilman & Chen, 2003; Marlow & Patton, 2005). The size of their businesses tends to be smaller than those of men due to asset limitation, which is linked to the ways financial resources are controlled (Marlow & Patton, 2005). In a theoretical analysis, Marlow and Patton's (2005) findings are in line with the general observations that "gendered characterization" and stereotypes cause barriers to women in their efforts to access financial resources – most often due to the lack of collateral (Roomi & Parrott, 2008), financial credibility, and human capital (Greene et al., 2003). This limit in access to financial resources affects the size and growth of women's businesses and prevents them from realizing their full potential (Marlow & Patton, 2005).

Gender as a social construct is a key variable in understanding and assessing female entrepreneurship, as Kantor (2002) notes. She argues that other variables reflecting the socio-economic realities of women, as well as the socio-cultural constraints including the gender relationships and roles faced by women, should also be considered in understanding the difference in performance between male and female entrepreneurs (Kantor 2002). Similarly, Marlow and McAdam (2013) do not consider gender as a proper indicator for explaining variance in performance when it comes to small firms, the category into which most women-owned businesses fall. They argue against linking gender and performance of the small firms. According to them labeling women-businesses as under-performing and ignoring other factors is misleading. Regardless of

owners' characteristics, small firms stay small for a number of reasons, including what the market can bear and what the owners prefer (Storey 2011, cited in Marlow & McAdam 2013, p. 116). In this context, it is highly unfair to characterize women-owned businesses as underperforming without an analysis of other factors, including their choice of market, sector, size and location of the business, as well as limited number of hours the owner can work due to household responsibilities. All these factors constrain their performance, and all are deeply rooted in the socio-economic and cultural context, not in the potential of individual women and their ability to conduct business. Determining that women's businesses are under-performing without considering other aspects just reinforces gender biases and male hierarchy (Marlow & McAdam, 2013). In their large-scale survey of male and female entrepreneurs in Sweden, Du Rietz and Henreckson (2000) did not find that female businesses underperformed. Women's productivity was a direct result of their choice of sector or other structural issues.

Motivations

Despite all these challenges and barriers in both developing and developed countries, women are increasingly entering the field of entrepreneurship (Dzisi 2008). Motivation is the driving force for any activity. It refers to "the desires, wants, needs or aspirations that affect control or explain the behavior of humans" (Carsrud & Brannback, 2011, p. 309). In entrepreneurship, motivation stems from the economic, social, personal, and psychological drives encouraging entrepreneurs to go for a new business. (Carsrud & Brannback, 2011). A review of all studies published on female entrepreneurship between 1976 and 2001 found that women across the world had similar motivations for entering business (Greene et al., 2003).

Their motives for becoming entrepreneurs differ according to economic, cultural, and education factors. These motivations also vary by context. For example, Boros (2008) noted that most Afghan women become entrepreneurs for economic reasons, whereas for Turkish women it was boredom with their role as housewives or frustration with their job (Hisrich & Sevgi Ayse Öztürk, 1999). Holmén et al. (2011) influenced by Dzisi (2008) and Yalcin and Kapu (2008), discuss entrepreneurial motivations in three categories: social, personal, and economic. Social motivation includes the desire for better work-family balance, more flexible work patterns, improving unacceptable working conditions, and reducing job frustration. Personal motivation comes from the desire for independence, self-fulfillment, achievement, autonomy in work, and higher social status, as well as from entrepreneurial drive. And economic motivations are more likely to arise from financial need and unemployment.

The literature on women's entrepreneurship shows that there is no single reason that motivates women to become entrepreneurs; instead, there are many factors. To explain them in a theoretical way, scholars often refer to "push and pull" theory (Dzisi, 2008). Push factors refer to a prevailing negative environment, which includes low income and dissatisfaction with the present job, while the pull factors refer to the "positive development" in which there is a desire to help others (Hossain et al., 2009). In a study of women entrepreneurs in Ghana, Dzisi (2008, p.78) notes that women in developing countries are motivated by push factors while in developed countries it is more often pull factors that motivate women. He concludes that in general it is "self-fulfillment" and "economic empowerment" factors that motivate women to enter this field worldwide. In line with these findings, Tambunan (2009) argues that in Asia women are mostly pushed due to low education and income, and therefore attaining better

education might result in decline of women entrepreneurs. Similarly, the findings of by Holmén et al. (2011), studying female entrepreneurs in Afghanistan, confirm the same pattern: push factors stood out strongly. However, he found a number of pull factors as well, including the desire to help others, which has not been discussed much in the literature.

The findings of the research conducted by Hoe et al. (2012), aiming to develop a model of successful Malaysian Women Entrepreneurs, found that economic success is attributed to (1) internal and external motivation factors, (2) environmental factors, (3) leadership and managerial skills, and (4) decision making processes that are contextual and influenced by socio-cultural factors (Hoe et al., 2012; Storey, 2008)

Tulus Tambunan (2009), in his research studying women entrepreneurship in developing Asian countries, drawing on the findings of Sinha (2005), notes that despite the huge potential of female entrepreneurship in terms of employment, economic development, and social transformation, only 10 percent of enterprises belong to women in South Asia. His findings suggest that factors such as low level of education; household responsibilities; social, cultural, religious, legal, and traditional barriers preventing women from entering the business sphere; and lack of access to financial resources contribute to their low percentage in this field. He argues that in this region women are mostly driven into entrepreneurship to earn a better living. In the study of barriers faced by female entrepreneurs in Pakistan—a Muslim developing society—Roomi and Parrott (2008) classify the barriers into two types: gender-neutral and gender-related. The most significant barriers under the second category include spatial mobility, limitation on interaction with men in the society because of prevalent gender segregation, and perception that their clients see them as less credible, especially when their business is in

non-traditional sectors. While Afghan women entrepreneurs face the same kind of problems and barriers, Holmén et al. (2011) suggest that the extent of these barriers in Afghanistan is broader. He describes Afghanistan as the most challenging place for women to do business, due to strict cultural and religious norms.

In terms of the economic impact of female owned-businesses, Dzisi (2008, p. 210) notes that based on the available data “women’s entrepreneurship in Ghana has contributed economically (75%) and socially (90%) to the development and welfare of their country.” These contributions are evident in job creation, tax revenues, and the transformation of social perception of women (i.e., that they are not dependent). However, Holmén et al. (2011) observed that in the case of Afghanistan the economic benefits have not been recognized due to the smaller number of female-owned businesses. Considering the socio-cultural and gender-based division of labor in the country, the authors point out the economic importance of female-owned businesses, which usually tend to hire women, and thereby contribute to job creation especially for women (Holmén et al., 2011).

According to Lambing and Kuehl (1997), women-owned businesses tend to be smaller in size compared to those of men for various reasons, including their own choice. The authors conclude from their study of women’s businesses in the United States that measures of success for men and women are different. The study found that for women the size of business is not an indicator of success. “Women defined success as having control over their own destinies, building ongoing relationships with clients, and doing something fulfilling” (p. 23).

Entrepreneurship plays a major role in development and economic growth in a country (Nabi & Linan, 2011; Holmén et al., 2011). To maximize the economic growth

potentials, it is important to consider women's contribution, and make efforts to empower them educationally, economically, and politically (Kock et al., 2010). Women are relatively new in the field of entrepreneurship, beginning in the early 1970s (Boros 2008), and they usually create much smaller scale enterprises due to lack of equal access to resources, lack of collateral, and lack of networks to support them (Lambing & Kuehl, 1997). Yet their businesses in developing countries contribute notably to economic growth (Ahmad-Ghosh 2013) as well as employment (Boros 2008). Coughlin and Thomas (2002) highlight the importance of the women-owned businesses in the economy of a country and note that universally these businesses account for "one-third of all businesses in the formal sector and even greater part in the informal sector" (as cited in Holmén et al., 2011, p. 308). For Instance, Singh, Ruthie, and Muhammed (2001) in their study of 200 women-owned businesses in Indonesia found that 94% were operating in informal sector. Similarly, in Afghanistan the informal sector has the highest percentage of the workforce while the formal labor market offers only 9.4% of the total employment in the country. Women are more likely to be in the informal sector (World Bank, 2013). According to the Organization for Economic Cooperation and Development (OECD), 2003):

Informal sector is broadly characterized as consisting of units engaged in the production of goods or services with the primary objective of generating employment and incomes to the persons concerned. These units typically operate at a low level of organization, with little or no division between labor and capital as factors of production and on a small scale. Labor relations - where they exist - are based mostly on casual employment, kinship or personal and social relations rather than contractual arrangements with formal guarantees.

In this sector, unlike the formal sector, businesses—from large enterprises to street vender—are not registered nor taxed or regulated (Spring 2009) and certain standards

such as minimum wage, safety and working hours are not considered (OECD, 2002). The reasons for women's concentration in this sector include their relatively low level of education, lack of capital and collateral and limited knowledge about markets, which make them less competent in the formal sector. Also the social and cultural norms emphasizing on their reproductive role affect their education, time and mobility (Chen 2001, p. 7).

Development and women's empowerment are linked, especially in the case of women entrepreneurs because of their role and position in the household and the fact that they invest more in the household if they have resources (Vossenbergh 2013). Chell (2007) points out that usually the focus has been on the economic aspect of entrepreneurship, with less attention paid to the social side of it, which includes factors such as employment, self-respect, social development, and community. Chell (2007, p. 17) observes that "...within the entrepreneurial processes there is a balancing aspect of social and economic behavior that creates both social and economic values." According to Hisrich et al. (2010). Entrepreneurship plays a greater role than just economic development as it encompasses structural changes at social and economic levels.

One distinct type of entrepreneurship is social entrepreneurship. Baraket, et al. (2010) write, "Social enterprises are organizations that use enterprises or trading activities to fund achievement of social or community goals: they are mission-led organizations that trade" (quoted in Eversole 2013, p. 567). In this type of entrepreneurship, social values and social causes are important, not accumulation of wealth. Austin et al. (2006, p. 2) point out,

The central driver for social entrepreneurship is the social problem being addressed, and the particular organizational forms a social enterprise takes should be a decision based on which format would most effectively mobilize

the resources needed to address that problem. It is not defined by a legal term; it is rather the purpose and various vehicles.

In line with this definition, Dorado (2006) sees social entrepreneurship as a bridge between services and profit goals. Using the existing literature, Dorado identifies three types of social entrepreneurship: 1) non-profit with the purpose of financially supporting a social service activity, 2) for-profit with the purpose of providing business and social services, 3) cross-sector or hybrid, blending both for-profit and non-profit purposes together to address a social issue.

In the economic sector, social entrepreneurship is somewhere between for-profit and non-profit, and is concerned with sustainable development and social values (Eversole, 2013; Chell, 2007). The concept of social enterprise is relatively new, dating back to about 20 years ago. Some scholars and foundations believe that it existed in the past too, but now it has gained more currency and attention (Skoll Foundation, 2009). According to Eversole (2013), identification of this kind of enterprise is not easy, as it is more practice-base and even sometimes the organization itself will not realize that it is a social enterprise. To address this issue, the social enterprises survey in Australia in 2009/2010, offered a number of guiding questions, such as “is your organization led by a mission to create public or community benefits? Does your organization trade regularly to fulfill that mission?” (Eversole 2013, p.572) Social enterprises are considered to be a fourth pillar of the economic sector, with public, private, and NGO/non-profit organizations as the other three pillars. Although their small size and number make them almost invisible, the very nature and mission of these enterprises establish them as contributors to local development (Eversole 2013, p. 567). Instead of waiting for the government or other organization to solve a social problem, entrepreneurs take the

initiative and try to find the solution (Ashoka 2000). In this process social, entrepreneurs are seen as change agents (Skoll Foundation, 2008; Dees, 2001). Dees (2001, p. 4) describes social entrepreneurs, based on their activities,

- Social entrepreneurs play the role of change agents in the social sector by,
- i) Adopting a mission to create and sustain social value, not just private value,
 - ii) Recognizing and relentlessly pursuing new opportunities to serve that mission,
 - iii) Engaging in a process of continuous innovation, adaptation, and learning,
 - iv) Acting boldly without being limited by resources currently in hand, and
 - v) Exhibiting heightened accountability to the constituencies served and for the outcomes created

Women's Empowerment

Women's entrepreneurship is closely related to women's empowerment, about which the literature in this field shows little consensus. "Empowerment" has been used in many fields and has been defined variously as process, outcome, ideology, and theory (McWhirter 1991). A large body of literature (see for example Malhotra et al., 2002) has adopted the definition of empowerment offered by Kabeer (2001, p. 437),

The expansion in people's ability to make strategic life choices in a context where this ability was previously denied to them.

For her, women's empowerment is a multidimensional concept, involving different aspects of women's life, from personal to public and social to economical (Kabeer 2011). Three aspects of women's empowerment are key: resources, both material and non-material, as a precondition of success; agency, in terms of negotiation, decision-making, and manipulation of the process; and achievement, including well-being, that emerges as the outcome of this process. She emphasizes the importance of the way choices are made and the circumstances under which they are made: whether a particular choice was what they really wanted or instead something they had to choose from the limited options they

had. Here she mainly refers to strategic choices that have long lasting effects on life, like choosing whether, whom, and when to marry or choosing a profession (Kabeer 1999)

A number of scholars have discussed women's empowerment in the light of different forms of power, such as power over, power to, power with, and power within (Kabeer, 1994; Rowlands, 1997). Kabeer insists that "the power within" is an important tool, enhancing women's ability to "control resources, to determine agendas and make decisions" as it involves the recognition of the inner ability of individuals (Kabeer 1994, p. 229). In addition to "the power within," Rowlands emphasizes on "the power to," which could entail resistance and new possibilities. She concludes "Empowerment must involve undoing negative social constructions, so that people come to see themselves as having the capacity and the right to influence" (Rowlands 1997, p. 14).

Considering the relation between social structure and action, in this case the one of entrepreneurs (Marlow & Patton, 2005), Kantor (2002) notes that social and cultural constraints negatively impact female entrepreneurs' actions and economic access. According to Kantor, by focusing only on economic outcomes as a measure of success while ignoring existing constraints, the researchers ignore other outcomes. One crucial outcome is empowerment, which is important, particularly in South Asia where social and cultural norms and gender relations shape women's experience, and determine their success and opportunities (Kantor 2002). In light of the findings of earlier studies, mine mainly focuses on the social aspects of female entrepreneurship and discusses how entrepreneurship impacts women's empowerment.

CHAPTER IV

WOMEN ENTREPRENEURS IN AFGHANISTAN TODAY

“Entrepreneurship gives me the chance to think big and experience leadership;
otherwise I was an ordinary employee”
(Waheeda, owner of a reputable ICT²³ Company)

This Chapter provides a brief overview of the economic situation and institutional arrangements in the country where the businesses of the subjects of my study operate. It is based on a review of secondary data as well as the semi-structured interviews conducted with relevant organizations. The focus is on the viewpoints of these institutions concerning female entrepreneurship, and their roles, responsibilities, and effectiveness in supporting it. The Chapter presents some facts and figures about female entrepreneurship in Afghanistan, and includes data on the participants: demography, type of business, and source of finance. This background information is important for understanding the thematic findings discussed in the final chapters.

Current Economic Climate and Institutional Arrangements

As we saw in Chapter II, in the last 15 years, the economy of Afghanistan has improved, mainly as a result of international assistance, revival of the agriculture sector, and emergence of and progress in the service sector (CIA, 2015). The GDP has doubled since 2001, with an average growth rate of 9.1%; however, the economic growth of the country has been greatly challenged by the weak governance, insecurity, corruption, and lack of infrastructure (CIA, 2015). Despite this progress, 36% of the population in

²³ Information, Communication and Technology (ICT)

country falls below the poverty line²⁴ and in general Afghanistan's standard of living is among the lowest in the world (World Bank, 2012). The transition process under which the government of Afghanistan got the full responsibility for its own security and development was completed in 2014. Withdrawal of international force, which was a core element of this process, has negatively impacted economic growth. In such a situation, the growth of private sector along other structural reform goals is important (World Bank, 2014).

The Afghanistan National Development Strategy (ANDS), which focuses on security, governance, and Economic development, recognizes that a market economy led by the private sector can make an important contribution to decreasing poverty through sustainable development (ANDS, 2008). According to Article 10 of its Constitution (2004), Afghanistan has an open market economy,

The State encourages and protects private capital investments and enterprises based on the market economy and guarantees their protection in accordance with the provisions of law.

The agencies for encouraging, facilitating, and promoting the private sector include the Ministry of Commerce and Industries (MOCI), the Afghanistan Chamber of Commerce and Industries (ACCI), the Export Promotion Agency of Afghanistan (EPAA), the Afghanistan Investment Support Agency (AISA), and the Afghan Women Business Federation (AWBF). In the case of women's businesses, the Ministry of Women's Affairs (MOWA) is also involved. Although each of these organizations has a distinct mandate and activities, there is a huge overlap as well. This makes it sometimes confusing and expensive for any business, but particularly for women-owned businesses,

²⁴ World Bank. (2015). Poverty and Equity. Retrieved on April 8, 2015 from <http://povertydata.worldbank.org/poverty/country/AFG>.

because each agency has a membership fee. For instance, almost all businesses are registered with AISA, a semi-government organization that charges a fee determined by the size of the business. AISA works closely with businesses in terms of their tax payment and supports them based on its mission, which is,

To create sustainable enterprise development, particularly small and medium, by providing quality services to investors, facilitating cross-border partnerships, advocating business enabling measures and reforms, and by promoting Afghanistan as an attractive business and investment destination proactively (AISA, 2015).

Afghanistan ranks 24 out 189 countries ranked from simplest to most complex in terms of procedures for formally starting and registering a business, from the number of procedures and amount of time required to the cost involved for small and medium enterprises (World Bank, Doing Business, 2014). This is impressive, and the majority of the female entrepreneurs participating in this research reported being registered with AISA. However, they all shared the same view that AISA treats all businesses in the same way, without giving any positive discrimination to women-owned businesses to encourage them and better facilitate their entry as newcomers to this field. As part of my background research, I visited AISA and found it highly male dominated in terms of staffing; despite the social and cultural norms, it offered no gender-sensitive arrangements or facilities for women, such as shorter queue or a separate window to receive payments from women. This could be intimidating for some female entrepreneurs and make it less accessible for them.

While having a license from AISA is important for any type of production and domestic investment, having a license from MOCI is crucial for businesses involved in import and export. MOCI also arranges a number of activities, such as convening seminars, investment matching events, and domestic and overseas exhibitions; publishing

bidding documents; and conducting trainings. Therefore a large number of female entrepreneurs—particularly the members of the Afghan Chamber of Commerce and Industries—are members of this organization, regardless of the types of their businesses.

The ACCI is an independent entity, with branches in 21 of 34 provinces in the country. It issues membership in five categories, for an annual membership fee that ranges from \$40 for basic services to \$5000 for various packages of special services (ACCI, 2015). Two officials in this organization reported that in order to encourage women-owned businesses, they provide women with services one or two levels higher than their actual type of membership and also provide them with technical assistance in terms of filling out forms and bidding documents, without charging any fee. Though this is not written anywhere in their documents, it is informally agreed on and practiced by all departments.

Afghan Women as Entrepreneurs

The collapse of the Taliban regime in 2001 and the establishment of the new government in Afghanistan backed by the international community introduced new opportunities for women in Afghanistan. As Ahmad-Ghosh (2013) points out, one of these opportunities for women was to renegotiate their role in the society, particularly their participation in the public sphere. Throughout the history, women in Afghanistan have been kept away from the formal economy and most often suffered from economic dependency, particularly in rural areas, where more than 70% of population resides. The strict gender-based division of labor pushed women into certain traditional, labor intensive, and low paid sectors such as agriculture and handicrafts, which are mainly done at the domestic level. However, the decades of war brought fundamental changes in

the social and economic structure of the country, resulting in a weaker economy and a less strict social structure, one in which women could redefine and renegotiate their roles. Boros (2008, p. 6) notes, “The rise and public presence of Afghan entrepreneurs over the last 5 years is a new social and economic development for the country.” Though it was an opportunity, at the same time it was a necessity; decades of conflict widowed an estimated one million Afghan women (Gardner 2006).

These women in most cases became breadwinners for their families. Women’s typically low literacy levels limited job opportunities in the government and in the international organizations, which had further requirements of English language and computer skills. The majority of these women chose to become entrepreneurs, especially in labor-intensive sectors such as tailoring, agriculture, and food processing. Although in the past women entrepreneurs existed in Afghanistan, due to social and traditional norms they operated more at domestic level and were invisible. Culturally they were not permitted to be in direct contact with marketplaces and with male customers and middlemen. Instead, their male family members had to interact on women’s behalf. However, after the political and economic changes in the country, women not only became visible entrepreneurs, constituting 5% of the business owners in the country (UNIFEM Factsheet, 2010), but they also became change agents in transforming the social norms by getting involved in nontraditional businesses. A recent survey with a sampling size of 298 women-owned businesses found that relatively large number of women-owned businesses operates in construction (24%), transportation and logistics (11%), and manufacturing (4%) sectors. These findings strongly confirm that in the last decade women used the opportunities created by the political change and the presence of the international community in the country to renegotiate their roles in society and enter

businesses that are highly male dominated (Building Markets Report, 2013). Their approach has been to blend modern practices and traditions, which makes their survival easier (Boros 2008). While they tapped on the sectors that are not traditional for women, such as carpentry, construction, and industry, they also conform to the traditional expectations of women in accepting their reproductive role, familial responsibilities, gender roles and relations, and social norms.

A large proportion of the Afghanistan economy operates in the informal sector. Therefore, most businesses are not registered. In the case of women’s enterprises, their small scale and the lack of awareness among rural entrepreneurs about formal incorporation affect their likelihood of being registered. However, the majority of women’s businesses in the capital are registered with several agencies, including the Afghanistan Women’s Business Federation (AWBF), Afghanistan Chamber of Commerce and Industry (ACCI), and Afghanistan Investment Support Agency (AISA). The Building Markets Report (2013) shows that 78% of women-owned businesses are small enterprises with 10 or fewer employees. More than 1,000 women businesses are registered with AISA, constituting 3.1% of the organization’s total membership. These businesses account for 2.8% of the total employment created by enterprises registered with AISA. Tables 1 and 2 show the breakdown of the businesses, employment, and investment.

Table 1. Number of Businesses Owned by Men and Women

	Women-owned Companies	Men-owned Companies	Total
Actual Number	1059	33536	34595
Percent (of total)	3.1%	96.9%	

Table 2. Number of Employment Created by Businesses

	Women-owned Companies	Men-owned Companies	Total
Actual Number	15154	532038	547192
Percent (of total)	2.8%	97.2%	

Source for Table 1&2: AISA database figures shared during my meetings with AISA officials on August 11, 2014

These figures clearly show that despite unfavorable security conditions in the country, as well as cultural and traditional barriers and limited access to credit²⁵, women’s enterprises have contributed to job creation and economic development.

Who are these female entrepreneurs and why did they choose to become entrepreneurs? The following section discusses their personal characteristics and motivation, based on the field data. For presenting this information, I have adopted the model developed by Dzisi (2008) while studying female entrepreneurs in Ghana, using characteristics that have been considered significant variables in understanding these entrepreneurs.

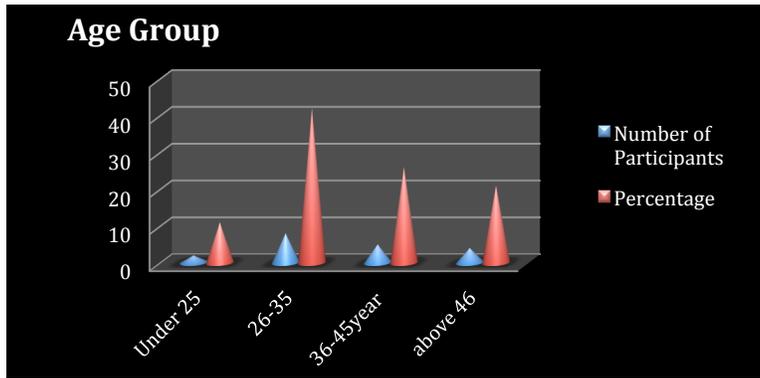
Personal Characteristics

To understand female entrepreneurship in Afghanistan, it is useful to know their personal profile—their age, education, marital status, employment history, entrepreneurial traits, reason for choosing specific sector, their experience living abroad, and any exposure to entrepreneurial training. They are a diverse group with different characteristics and backgrounds. In the following section, I will briefly introduce the participants and their characteristics.

²⁵ According to the Building Markets Report (2013) 81% of women business did not have access to credit.

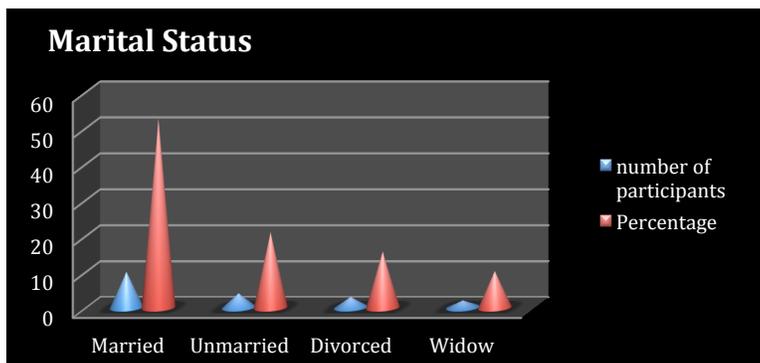
Age and marital status: Because of the social and cultural norms in Afghanistan, age and marital status are major variables for women, especially with respect to mobility. Young unmarried girls usually face more restrictions than middle-aged married women or elderly women. However, the degree and the type of restrictions differ in each category depending on how well educated the parents and in-laws are and whether they are religiously and traditionally conservative or moderate. For example, two women in this study are in the same age group and have the same marital status, but they have different experiences. Yasamin, an unmarried engineer, in the age group 25-30, belongs to an educated family and enjoys full freedom and the support of her family, while Feroza, a shopkeeper, of the same age and marital status, faces restrictions and has no family support in terms of her business. Although family background and education are significant variables, their effects still cannot be generalized; a small percentage of the women in highly educated families, too, faced severe opposition and restrictions. The age group of women in my research population as shown in Figure 6 range from 20 to 50 years old; the majority of them (42%) are 25 to 35 years old; 26% are 36 to 45; and 21% are older than 46; only 11% are younger than 25. This is an interesting finding; despite the conservative nature of the society and the constraints imposed by economic and security conditions, particularly on women, the majority of the Afghan female entrepreneurs are younger. This finding is slightly different from the findings of researchers conducted in other part of the world. For example, in Ghana most female entrepreneurs are between age 41 and 51 (Dzisi 2008).

Figure 6. Age Groups of the Participants



Considering the gendered roles of women in Afghanistan, marriage is another variable that affects women’s entrepreneurship experiences. The majority of participants in this research are married (see Figure 7), which is the norm in Afghanistan, where the majority of girls (57%) get married in their late teens (Bahgam & Mukhatari, 2004). Among the participants 52% of them were married, 21% unmarried, 16% widowed, and 10% divorced/separated. This is in line with the general marriage status of women in Afghanistan. All participants who were married had children of different ages; however, only few of them had children younger than 5.

Figure 7. Marital Status of the Participants



This finding is important in understanding the diversity among the Afghan female entrepreneurs and to some extent it contributes to their motivation. For example, in this study, the motivation among the majority of women who were widowed, divorced, or

separated was economic. In other words, in the absence of a male family member, these women became breadwinners for their families. However, a small percentage of the married ones have been pushed into small, home-based businesses for different reasons: ensuring that they can fulfill their reproductive role, preventing them from working outside with men or in male dominated environments, and so on. Rona, a university graduate who owns a food processing business, explained the reason for her entrepreneurship,

My kids were small, so my husband requested me to quit my job [she was working with an NGO at that time] and instead stay at home and become fully in charge of our home-based family business. His reason was that kids were small and if I were away from them all day, it would have negative impact on them. So for the sake of my children, I totally stopped working outside the house, though it was difficult for me to accept it at the beginning.

Working at home was not her preference, but she did it on her husband's request to fulfill her reproductive role as the first priority for any Afghan woman. Gender roles rigidly defined in Afghanistan. Women's work is most often seen at the domestic level doing house chores, providing care for children and other members of the family, and, in the rural areas, taking care of the livestock and doing kitchen gardening. These tasks have priority over their profession and even their education.

Waheeda offers another example of such a situation in which not the absence but the presence of husband affected her decision to come to business. She joined the family business in the field of information communication and technology (ICT) few years ago. She is the president of the company and even her husband reports to her. Before getting involved in the family business, she worked as a filmmaker and photographer with an NGO; photography was her passion and profession. But she had to quit, because her husband didn't like it. She said,

Well, in general he is not against my work outside home, but he is not very sure about the working environment and safety of me, so he wanted me to work with him in our family business. There are some social issues in our society, including harassment of women. My husband's demand was to have it [photography] as a hobby, not as a profession and paid job.

Men are usually concerned about the working environment—how friendly and safe it is and how well regarded the office and the profession itself is for women. Although both photography and entrepreneurship are new and non-traditional fields for women and are highly male dominated, her husband preferred her doing business over photography. In Afghan society, having a business is considered a more decent profession for women than photography and filmmaking. Despite the fact that in their family business they have male employees, the working environment can be controlled and managed, because the couple own it and are in leadership positions and have full control over hiring staff and maintaining the office environment. This is in line with the finding of Shabbir and Di Gregorio (1996) that culturally men do not mind their wives having their own business, while they object if their wives work for others. Unfortunately, harassment, not being criminalized in Afghanistan, is pervasive and manifests everywhere, from the street to workplaces.

Whatever their reasons for joining the business, the majority of the married women had full or partial support of their husbands, while among the unmarried women, the majority of them didn't have the support of their male family members. In the former group, participants see their husbands' support arising from their high level of education and their awareness about gender issues. In some cases, as mentioned earlier, the male family members' support (e.g. for working in the family business) stems from their disapproval of women's work outside home or with other men or organizations.

However, the education level of the husband cannot be generalized as implying support for a working wife. In a couple of cases in which married women didn't have the support of their husband, the husbands were rather highly educated. This complicates our understanding of these variables. It appears that men's education is important, but does not necessarily always translate into their support for women. Among the unmarried women, the reason they could make it even without male support is very much embedded in the culture. A father cannot abandon his daughter as readily as a husband might abandon his wife. It will bring further stigma to the family if they abandon their daughters. Therefore, unmarried women saw less risk involved in opposing their male family members than married women opposing their husbands.

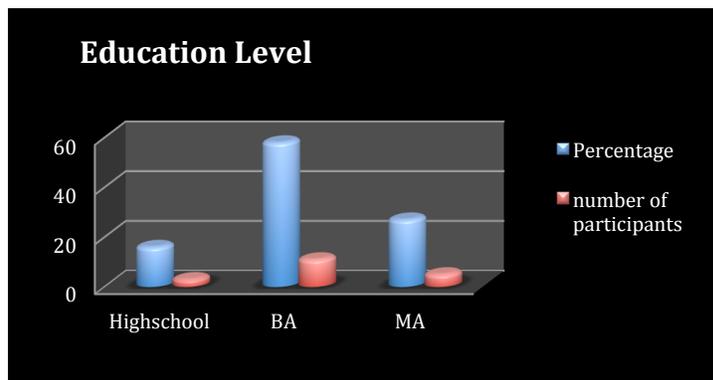
One such example is Feroza, the only female shopkeeper in a big market run by men in one of the most crowded locations of the city. She established her shop selling female accessories. Curtains cover her shop; from outside one cannot see the inside of the shop. Her customers are mainly women but sometimes men enter the shop either for fun or out of necessity. However, she is not very welcoming to male customers and from the outset tries not to allow them inside the shop. In establishing the shop, she did everything by herself, from finding the shop to furnishing it, signing the lease, and purchasing the products. In her own words, she explained,

Since I didn't want my father to know about it [the shop], I didn't seek any help from him [financially and non-financially]. My sister and I did everything. Two days after setting up the shop and working in it, I went home and told my family about it. As everything was already done, my father couldn't say much about it. I have always had his permission to work outside the house in an office, but I was not sure about his permission in a shop.

Education and employment records: In terms of education all the participants were literate; a majority of them (58%) had university degrees (bachelors), a few had

Masters degrees (27%), and a small proportion of them (16%) only a high school education (see Figure 8). Education is another important variable for explaining entrepreneurial motivations, as a majority of these women could have chosen another profession, given their education and work experience. In fact the majority of them worked in organizations before becoming entrepreneurs. They worked for public sector and international organizations. In the next Chapter under “Motivation,” I will explore this topic further and will discuss why they preferred business to other types of employment.

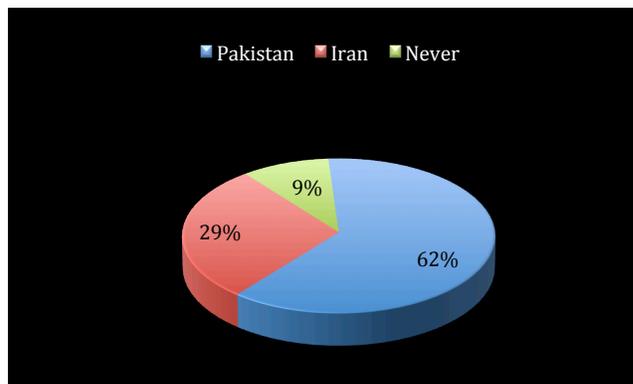
Figure 8. Education Levels of the Participants



Living abroad, choice of sector, and entrepreneurial traits: A vast majority of the participants (91%) lived an average of 7-8 years either in Iran or Pakistan or both, mostly during the civil war and the Taliban regime in Afghanistan (1992-2002) (See the breakdown in Figure 9). This has had a huge impact on them directly or indirectly in terms of education, hardships, social and economic constraints, and awareness of other Afghan women’s problems. For some of them, it also offered an opportunity to get away from the usual social constructs and a community in which their economic role was denied. Itzigsohn and Giorguli-Saucedo (2005) points out “migration can result in the improvement, deterioration, and renegotiation of gender inequalities” (P. 898). A study of

Salvadoran women in Las Angeles shows the effect of the migration on women, the way their socially contracted gender role and relation is reconstructed increasing women's self-confidence and empowering them (Zentgraf 2002 cited in Itzigsohn & Giorguli-Saucedo 2005).

Figure 9. Percentage of the Participants Lived Abroad



I can fully relate to this aspect of their experience, because it was also mine. When my family fled to Pakistan in 1994, the economic roles in our family changed. Despite our shared cultural expectation that my father should be breadwinner of the family, he couldn't find a job, due to lack of capital and language barriers. Instead, because I had learned the main local language (Urdu), I managed to find a job and help the family economically. In general, this immigration experience affected us physically, physiologically, and emotionally. The women in this study all reported similar experiences, making clear that time spent away from hometown influenced their current entrepreneurship, either directly or indirectly. This will be further explored in the next chapter.

In terms of choosing the sector in which to work, many factors play a role. They include these women's strategic choices to challenge gendered perceptions, to generate income, to help others by addressing a social cause or problem, and to increase personal

satisfaction. All these aspects influenced their motivation for becoming entrepreneurs, as a result of which these women ended up in a wide range of traditional and non-traditional sectors (See Appendix B). The participants reported managing their businesses one hundred percent, despite the fact that a small number of the married participants named their husbands as their deputies in their business. They were not comfortable answering the question about the extent to which their husbands were involved in business related decision-making, as they wanted to claim full authority. Many of them said that on paper the husband is named as deputy, but in reality the women themselves were fully in charge of the business, as the husband had either another business or a full time job. However, none of them denied consulting their husbands on business related issues and keeping them informed, reflecting cultural norms and practices. Malalay, a 54-year-old entrepreneur who runs a legal aid organization and a private school said, “The idea of the company was mine, I did most of the things, but I always discussed everything with my husband and he was always there to support me.”

Similarly, another entrepreneur, Husna, who is 30 years old and owns a printing firm and a couple of other businesses, subscribes to the same practice, despite the fact that her husband is not involved in her business at all, though he is very supportive. She stated,

My husband doesn't interfere in my business, but I prefer to tell him everything about my business. Knowing the social construct of our society and gender relations, I never tried to compete with him or show off my talents and capacities..... I try not to do things that provoke social norms, which may have backlashes.

In the majority of the cases, women have been very careful in their actions, trying to operate within the system instead of taking a more revolutionary approach. Women are expected to discuss business with their husbands and seek their permission in whatever

they do, especially if they are not the primary owner of the assets/capital. Although in the above two examples, it is not the case that the husbands insist on being consulted, as a social practice women try abide to it.

All of the participants started their businesses in the last ten years. Only one participant had an entrepreneurial record for more than 30 years, while the rest have been in the business between 3 and 10 years. Their businesses fall under the category of small and medium enterprises (SME). I found it interesting that their businesses were not focused in one sector; a large number of them were involved in more than one business for a number of reasons: improving personal satisfaction, financing another less profitable or non-profitable business, testing which business works better, and addressing social issues. For the purpose of this research, I focused only on the business mentioned initially in the suggestion to include them in this study. These businesses were in 12 different sectors. The details of the sectors and some other characteristics are shown in Appendix B.

The number and gender of staff in each of these businesses were interesting. In more traditional sectors like handicrafts, food processing, tailoring, and hairdressing, the majority of staff was reported to be female, while in the male dominated sectors like ICT, restaurant, and printing, most or all of the employees were men. This shows the gendered patterns of the labor market. However, this pattern is changing now; of the two women-run ICT businesses, one of them has more female staff than male. This shows that having a woman as the owner of such business helps this process of changing norms. Mursal, head of this particular ICT Company, mentioned,

In Afghanistan ICT is a very male dominant field. It is usually thought that only men can work in this field, but as soon as the female applicants see me as the head of this organization and know that in this office other women are also working, they

become interested to work with us. I know some girls who studied in this field, but they could never work in it due to these barriers and perceptions.

Among the most common personal characteristics evident in all of the participants who consider themselves successful in their businesses were their confidence, self-determination, and self-efficacy, which Lambing and Kuehl (1997) term as entrepreneurial traits. Self-efficacy is defined as “beliefs in one’s capacities to organize and execute the courses of action required to produce the given attainment” (Bandura 1997, p.3), while self-determination is more about making one’s actions matter. Both of these qualities were obvious in participants’ responses when they were asked about factors contributing to their decision in becoming an entrepreneur. Almost all of them used “giving birth” as the analogy of women’s capacity. This kind of self assessment—knowing one’s strengths and weaknesses—is very powerful, especially in societies like Afghanistan, where women are considered weak and lacking the ability to do certain things, including business. Husna, one of the participants introduced earlier, started her business basically to challenge the general perception of society about abilities of women. For her,

There is nothing more difficult and labored than the labor pain and giving birth. If women can do that, for sure they can do anything else. It is wrong to say that women are not able to do this or that job or work which men usually do. I wanted to prove it.

CHAPTER V

WHY DO AFGHAN WOMEN BECOME ENTREPRENEURS?

Motivation is an important factor in explaining women's entrepreneurship. It allows us to understand the intention of entrepreneurs and what they want to achieve, which are rooted in the existing social, economic, and political contexts. It also explains the diversity among the female entrepreneurs, based on the social and economic context within which they operate. As discussed in Chapter III, motivation can be influenced by push and pull factors shaped by the socio-economic circumstances. I asked the participants in this research a couple of questions about their motivation, and their answers varied. While some of them explained it as seeking better economic opportunities, others described it as a way to find personal satisfaction and to pursue their passions and interests. However, a larger number of them interestingly elucidated their choice to become entrepreneurs as a strategic move to challenge socially constructed gender norms and the gendered division of labor in the Afghan society. One strong motivation in a majority of them was the desire to help others, a motivation which has not been very often discussed in the literature (Holmén 2011).

Motivation is one of the important aspects of female entrepreneurship in Afghanistan. The research questions in this study ask about the impact of female entrepreneurship on women's status in the family and society, their employment and empowerment, and social change. In the following section, I summarize Afghan female entrepreneurs' motivation in two main categories: economic and non-economic.

Economic Motivations

In response to the question about what motivated them to become entrepreneurs, one-third of the participants cited economic reasons, including limited government job opportunities and low salaries in public sector. After the collapse of the Taliban and the establishment of the new government, the requirements of most of the government jobs included English language skill and computer literacy. These skills were particularly low among those women who remained in the country during the Taliban regime and who were denied even basic education. Also under the new administration supported by the international community, a civil administration reform process was conducted, resulting in downsizing almost all government organizations. This had huge impact on employment in the public sector in general and female employment in particular for the aforementioned reasons. Naseema, a young woman who worked for only a few months with one of the semi-government organizations, is a university graduate. She and her two friends found entrepreneurship a good option for earning a living; they established a pickle-making firm that is making good progress. She recalled,

After the project finished, we were thinking what to do and considering our skills and the limited job opportunities in the market we decided to have our own firm. We started with initial capital of 25000 Afs [\$500] from each one of us.

Similarly, Hawa, owner of a beauty parlor, was a teacher. Before getting married, she lived in Pakistan with her mother and her siblings. She worked in a beauty parlor as an apprentice to earn a living, because her father who was the breadwinner of the family was killed during the civil war. After returning to Afghanistan and completing her education, she became a teacher. However, after marrying and having three kids, the couple's income was not enough to meet the expenses of the family. She gave up the teaching profession on account of its low salary scale and started her own business,

which her husband and other family members had previously refused to allow her to do.

She explained,

When we came back to Afghanistan and I got married, my husband didn't allow me to continue working as a beautician. He believed that it was not socially acceptable and was considered cheap in the society. I talked to him a lot, and told him that it is not true that whoever gets into this business will have bad name. It depends on individuals. The other thing that helped me to convince him was our economic condition.

Hawa is making more money than her husband, who despite his high education couldn't find any job in the public sector and works as a taxi driver. In her case, economic conditions pushed Hawa to entrepreneurship and even convinced her husband to allow her.

In this category, most of the women became entrepreneurs during the Taliban era, especially in the absence of male family members. Because the Taliban banned women from working outside the house, they had no option but to have their businesses located within their homes to support their families. Many of them started running secret schools for girls and charged a fee, and some of them started tailoring or some did both at the same time. These jobs were highly risky under the Taliban regime, but women took these risks because they had no other survival options. Ruqia, now one of the most successful entrepreneurs in the handicraft industry, used to be a university lecturer. Like many other women, she was pushed into business for economic reasons. Being a widow and a mother of three young children, she had to do something to feed her family, even though the Taliban banned women's work outside the house. She explained her situation,

My problems in life pushed me to entrepreneurship. Otherwise I was a teacher and should have continued teaching, but my income from teaching was not enough for my children. I had no one to support me. I even didn't have a house in Kabul. And my teaching salary was not enough. When the Taliban came, they made all women stay at home, with no salary and income, so in a way they pushed me into this work for which I am happy now. [laughing] That was their benefit for me; they forced me enter

business. I started tailoring, as I had that skill. My other fellow teachers, who just like me had to stay at home, joined me. We established a tailoring union in which 30-40 teachers were working, and we were producing clothes and selling them in bulk to the markets secretly. In addition to tailoring, I established 13 home-based schools (secret schools) and taught all school subjects to girls, charging them a fee. It was a very risky job, as the Taliban had banned schools for girls.

Although these women have been pushed into business despite their preference for doing something else, they all reported being happy and satisfied with their work and intend to continue it even if they get other options. In fact Ruqia said, “I have been nominated for a senior position in the government, but I don't want to go there. I prefer my own work, as it has a lot of freedom and flexibility.”

Here it shows that although she had made the choice of becoming an entrepreneur for economic reasons in the first place and now a senior position in the government can be also promising financially, she is no longer bound to that reason. The choice is no longer about financial issues, but rather about the nature of the work, especially the freedom and flexibility it allows. These factors are important especially for Asian women, in light of their familial roles and responsibilities. This finding does not support the previous research on Asian women, which raised a concern that attainment of better education and income might cause a decline in female entrepreneurs (Tambunan 2009). In fact this study includes a majority of women who have higher education and they have other employment options, yet they prefer having their own business. I would argue that the tendency of educated women to become entrepreneurs might even be higher, provided social, structural and financial barriers are addressed.

Non-economic Motivation

As discussed earlier, the literature on female entrepreneurship shows that women choose to become entrepreneurs for a number of reasons, including personal, social and economic reasons. Interestingly in the case of Afghan female entrepreneurs, a larger proportion of the participants ascribed their motivation for doing business to non-economic reasons. Even entrepreneurs who established their businesses for economic gains mentioned the non-economic objectives behind their endeavors. Among all the non-economic motivations mentioned by the participants, the most prominent included wanting to challenge gender-based stereotypes and the oppressive gendered system that organizes social life, to help others, and to contribute to women's empowerment and employment. In the following section I will briefly discuss these motivations.

Challenging Gender Stereotypes and Social Perceptions

This motivation is very strong in the women who are highly educated and have high level of self-efficacy as well as family support. Husna, the owner of the printing firm, explains her motivation,

I wanted to do something big and challenging; something that is interfering in male dominated sectors. After doing research, I found printing firm as a new area of work for women, which was highly male dominant and no woman had done it before in Afghanistan. It is always perceived that all those jobs or professions involving machinery belong to men. The field of printing involves heavy machinery and is usually operated by men. Keeping this social construct in mind, I decided to have my own printing firm.

The common stereotype is that women can do only small and traditional work with very low profile and low investment, and usually at domestic level. Husna's motivation is to challenge this stereotype by doing something challenging and big, especially when it comes to investment involving machinery and technical work. Another participant,

Zahra, who is also running a relatively big carpentry factory, shares the same views.

Asked why she chose this sector, Zahra replied,

Well first of all, I was familiar with it and had this skill. Secondly when I participated in an entrepreneurship training, I noticed that the majority of the trainees were involved in handicrafts. Those made me think, “Why should women’s businesses always be associated with handicrafts? Why not other types of businesses?” I wanted to prove that women are not only good at handicrafts but can do other things too if they want to.

Zahra proudly showed me her factory and introduced me to her staff, all men. She showed me the work samples used to furnish her own office and enthusiastically described how much she was involved in quality control of production. She simply wanted to challenge the gendered labor division and prove that women were capable of running huge and technical businesses. This also shows that women’s selection of sector has been strategic, not simply based on economic gains or skills they had, but based on how they can achieve the goal of proving women’s abilities in non-traditional sectors. Both businesses reported poor financial performance at the beginning, even to the extent that they had to pay all the running cost from their own pockets, but as their goal was not only making money, they persisted until both of them became financially and socially stable. The common perception among all these women was the recognition of their potentials and abilities. A number of them used the analogy of giving birth and tolerating the labor pain in women. They were convinced that if women can do that and bear that hardship, they could do anything. Waheeda, a mother of twins, and the president of an ICT firm, said, “Giving birth and raising children is not easy, and if women can do that they can do anything.”

This analogy is to some extent contextual, as in Afghanistan traditionally women are heavily involved in raising children and in some cases they don't receive any help,

particularly from their husbands. Zakira, recognizing this potential of women, provokingly said,

I was working very hard to achieve all my goals. I always believed that women have a lot of potentials and power if they realize it and if they use it. I was asking why are they not using them?

While their motivation for becoming entrepreneurs to some extent explains the reason for choosing the specific type of their business, a number of other factors influence their choice, including their financial status, availability of space, level of education, skills, etc.

Desire to Help Others

One of the very common themes among all the participants was the desire to help others, particularly women. That is mostly because the majority of them had experienced hardship in life, especially under the Taliban government or when they were living as migrants in other countries during the civil war in the Afghanistan. This made them realize the needs of other Afghan women and how deprived they were compared to women in other parts of the world. Also this realization came for most of them from personal experience or exposure to a social problem.

One of the participants, Zainab, a middle age woman who owns a restaurant in one of the best locations in Kabul, is a great example. She has lived most of her life as a refugee in Iran, where she started her first work when she was very young. She remembered,

I had a school in Iran, as Afghan children due to the lack of proper documentation couldn't study in Iranian schools so I decided to establish a private school for these kids. At the beginning it was home-based, free of charge and only primary level. Later on when I got many students from grade one to 12 and the demand increased, then I expanded the school, moved to larger building, hired teachers, etc. My objective was to help Afghan children not to remain illiterate in Iran.

She established the school for a social cause, education, and wanted to help those Afghan children. To cover the running cost of the school she had a tailoring business. Her husband was so very conservative to the extent that he was even opposing her own education, but since he was at the same time religious too, he saw her motivation for helping others and educating children in line with Islamic principles, he did not stop her. When she came to Kabul five years ago for a short visit, she was struck by another social problem, drug addiction. Her desire to help caused her to return home permanently. She said,

Every day I was passing by an area that was a gathering point for addicted people in Kabul. Every day I was witnessing their sufferings and pains and thought I should do something for them. I wanted to treat at least some of them. I had an addicted brother and knew how difficult and miserable life these addicted people have. So I wanted to help them.

Here her motivation stemmed from a personal experience and that drove her to help other addicted people; for that she established a rehabilitation center. She was highly motivated and committed to helping these people to the extent that even the lack of financial resources did not stop her. For a few months, she worked hard to find financing; then she came up with the innovative idea of opening a restaurant. It could finance the rehabilitation center and create job opportunities for those who completed the treatment and wished to work and resume a normal life. Both cases, the school in Iran and rehabilitation center in Afghanistan, are examples of social entrepreneurship, in which social issues such as education and drug addiction are addressed through business. As discussed in Chapter III, this kind of entrepreneurship and the entrepreneurs are seen as change agents. Zainab proudly mentioned that in the past 5 years 2000 addicted people have been treated in her center. In her half-modern and half-traditional restaurant, where I met her a couple of times, she enjoyed the enormous respect and appreciation of her staff members (all men) and friends. Her staff, some of them recovering addicts, called her

“Nana,” which means “Mother” in one of the Dari dialects of the central highlands of Afghanistan.

Mahjan is another entrepreneur who is pursuing a similar objective in her work. She is a middle-aged woman, a lawyer by training, who runs two organizations: a private school and a legal aid organization. She described her work,

Basically my aim is to serve Afghan women, as they have severe problems. If the motive of my work was only money, I could buy two houses in the nicest area of Kabul and rent them out and earn a lot of money, but it is not what I want. My objective is to reach out women in the remotest areas in the country and provide them with legal aid. When I see the inequalities in our society, it makes me more determined. With the income of my school, I run my legal aid organization, which works for women. As I want to help women through my organization, I don't want to rely all the time on donors. I want to have a sustainable income so that I continue my activities. The school is now self-sufficient.

The influx of national and international organizations mostly concentrated in the capital city introduced new dimensions to the market economy, including renting out properties (e.g., houses, cars), which is considered an easy and yet profitable business in Kabul. However, this does not resonate with professional and highly educated women like Mahjan, who feels responsible towards other women and wants to help them. Considering the very conservative and patriarchal nature of Afghan society and the very low literacy rate among women, such female organizations are crucial to raise women's voices and help them to navigate through this system. Further, in such societies women's concerns and needs remain unheard and untouched, basically due to the absence of women in the policy and at decision-making levels. Rona is one the entrepreneurs who realized one of these shortfalls and for the first time ever established a gym for women, in addition to her other business. She said,

I wanted to create a safe and proper space for women to workout, as there was nothing such for them before. I got the idea of the gym from my own problem; I had gained a lot of weight and was suffering from it. The doctor told me that the only

thing that could help me was exercising. By establishing the gym, I wanted to help other women too.

To achieve this goal, she accepted reputational risks and other consequences, as socially it was not accepted for a woman to run a gym. She even agreed to receive the required training from a male trainer, which was beyond social norms, considering the social binary of male and female relations and their interactions at the social level. At that time there was no female trainer to train her; however, now she is a good resource for other women who are in this field; she trains other women who have gyms. Zakira is another entrepreneur who shared the same concerns. She runs a gym without gaining anything financially. As it is a new concept in Afghanistan, not many women come to the gym. Therefore the fee she receives is not enough even for the operating cost of the gym. She finances it from her small-scale import business. She explained,

I want women to care for themselves. To achieve this goal, I have my own gym. I do not have any financial interest in it. Rather it is a big loss for me, as I am paying high rent for this house where I have my gym, which has very little return. I raise awareness in women to pay attention to them. They should think about their health, particularly as they are responsible for the house chores, children, etc. If they are not in good health, how they can do it? Look at men, how they try to maintain themselves. They spend so much on their health, going to gym, buying expensive protein, etc. while women don't do anything for themselves.

She compares the advantages men have in the society and the disadvantages of women. They don't even have awareness of the need for exercise to maintain health. She is so committed in her mission to help women and raise awareness among them that before having her own gym, in a revolutionary act, she volunteered her time in one of the gyms for men. With the help of her husband, she convinced the owner of that gym to dedicate a couple of hours for women to exercise and promised that she would give whatever she earned to the gym owner. In a teasing manner, she said, "I am determined not to give up until I bring changes in the attitude of women."

In sum, the desire for helping others was very strong in the majority of women in this project. This can be explained in the light of cultural and religious practices, in which helping others, particularly poor and disadvantaged people, has currency and is regarded highly, which consequently makes it easier for these women to avoid strong opposition from family and society. This itself has a positive impact on their sustainability and success and eventually leads to social change, including women's empowerment and employment, discussed in the following section.

Desire to Promote Women's Empowerment and Employment

This motivation was strong in most of the participants. Considering the low rate of employment in women and their economic dependency, these entrepreneurs give priority to hiring women. They also try to embed women's empowerment in whatever way possible, directly and indirectly. I benefited greatly from their concern with empowering women, as the women I contacted all expressed willingness to participate in my research. They saw supporting me as woman in my education as part of their mission. As I thanked a participant for participating in the research while she was on leave from work prior to a wedding party due to occur in just a week time, she welcomingly told me,

Even if it were my wedding day, I would have come for this interview, as I always want to help and support women. Whatever work I do, my main objective is to support women and do something for them.

Through her legal aid organization, Mahjan tries to raise awareness on women's rights and their empowerment by the use of women's rights discourse in Islam. She stated,

We provide legal awareness to different categories of people in the society, for example to religious people, teachers, students, shopkeepers, and non-government organizations, and teach them sharia law and Islamic principles, which nowadays out of ignorance are thought to be western ideology. For such issues, we gather references from Quran and Hadis (prophet's sayings) and make it available to them. We teach them how many rights Islam has given to women.

For many of the entrepreneurs, women's empowerment and employment were intertwined. Regardless of the size and nature of their businesses, participants tried to employ mainly women, as they believed that by employing women, they contribute to their empowerment, which is basically understood as being economically independent. Mahtab, a middle aged woman, formed a small pickle-making company together with other two women. She said, "I want to work for women. Women are dependent. Even in this small business, from time to time I hire women temporarily to help them earn a living and learn pickle making."

Malalay, the owner of a large leather handicraft company employing more than 100 female producers, believes that,

If a woman has an income and contributes in the house or spends it on herself or her children, it increases the love and warmth in the household. She also gains confidence, despite the general social perception that an illiterate woman has to sit at home, she cannot have an income, she cannot do much, etc.

Their approach to empowerment differs. For Malalay and a number of other entrepreneurs, it was important to economically engage illiterate women who are not allowed by family members to go out of the house. Others made an effort to bring them out of their houses and increase their mobility. Mahgul, a divorced lady in her late 30s who runs a number of businesses, including a tailoring factory, a boutique, and a nonprofit women's association offering skills development and employment services for women, described the reason for establishing her association,

In 2006 I decided to establish an association for women to help them come out of their homes. I noticed that women producers were still not allowed to leave their houses and instead I was going door to door to collect their production and that was getting very tiring and more and more difficult for me.

In this association I wanted to teach women some skills such as tailoring, literacy, and bead netting, in order to empower them by teaching them skills to help their economy. Besides the skills, I wanted to raise awareness among women about their rights. I didn't want them to go against their husbands, but at least wanted them to know their rights.

She explained that the families of these producers would not allow them to go out of the house for economic activities; however they were allowed to go for learning purposes. Being aware of this social practice, Mahgul established the association to empower them by increasing their mobility for economic reasons on one hand, and teach them skills and raise awareness among them on their rights, on the other hand.

Having the opportunity and the ability in themselves, the female entrepreneurs felt obliged to contribute and help other women in terms of employment. They also saw it as a tool for social change. Knowing that men have their networks and many opportunities, they wanted to create opportunities for women. In response to the question about her employees, Husna said,

My project coordinator [a female] doesn't have enough capacity and usually men come to me and complain that "we are better than her" and "we can do the job better than her ...why we are not given this position with such high salary?" But my position is the same, though it is a big risk for my business. I believe that she can learn and will make progress. Even if she doesn't make any progress, I will still continue, as I see it my responsibility to support her and I believe that she can learn if she is given the opportunity. The minimal skill she has now is not beneficial for my company, but since I believe that women need to be supported, I kept her; I consider this as my duty.

By giving women a chance in organization, the entrepreneurs in this study are contributing to other women's empowerment, building their capacity and motivating them to compete with men. Once they feel comfortable in having higher positions, they can compete in other organizations with their male counterparts. Mahjan, the president of the legal aid organization, expressed her motivation for female hiring as following,

By hiring more women, we want to bring gender balance. The balance is so disturbed, especially in the rural areas. Only few women work there. I hire women in my organization to provide them with the opportunity to develop their career and learn. I had female employees who worked with me and after some time they learned the work and became confident, then applied in international organizations with better salaries, for which I am very happy. I am hoping to remove the stigma of "not

knowing” or being “moftkhor” (living on other’s blessings), or being “helpless,” or “mother of so and so” from women. I have noticed that in the provinces no women are called by their names. They don't have access to their income and inherent property, which [practices] are not Islamic; the name of the Prophet’s daughter (Fatima) is called in every mosque and in every sermon. The problem is that we are not following the principals of Islam.

These entrepreneurs see themselves in a powerful position to bring the desired changes in other women’s lives, empowering them by enhancing their mobility, building their capacity, and improving their employability. In a traditional society where women have been seen as secondary citizens and less capable, women’s realization about their own situations and their subtle actions to improve it and break the long standing social constructs are highly important, even if they occur only on a small scale. Female entrepreneurship paves the way for such changes, as women can maneuver in their roles and can prove themselves more capable than the limits that have been ascribed to them. They can also reframe their roles and positions in the society in the light of women’s rights discourse and their position in Islam, following the example of the Prophet’s wife, Khadija (r.a.)²⁶ who was a merchant and economically independent.

Factors Affecting the Performance of Women Entrepreneurs

Given that female entrepreneurship is a new phenomenon, especially in non-traditional sectors, and women are mostly inexperienced in this field, they are vulnerable to a number of factors that affect their performance. While they want to challenge gender stereotypes and establish their footprints in businesses, they had to operate within the system. This discussion describes the enabling factors that contribute to success and smooth operation of women-owned business, the hindering factors negatively shaping women’s experience as entrepreneurs, and the strategies they use to manipulate the

²⁶ Radhe Allaho-ann’ or (r.a.) meaning “may Allah be Pleased with him/her.” Source: Islamhelpline. (2015). Retrieved on February 25, 2015 from <http://www.islamhelpline.net/node/7104>.

system for their personal gain. As this paper is seeking to explore women's experience in entrepreneurship from a social perspective, particularly to identify their strategies for overcoming social and economic barriers, it is important to first establish an understanding of the factors affecting their businesses positively or negatively, which are discussed as follows.

Enabling Factors

In the lives of these participants, one of the most important enabling factors is *family support*. The majority of the participants who consider themselves successful entrepreneurs reported having this support fully or at least partially. Those who have been enjoying full support were relatively more successful due to the confidence and independence they were granted by the family. With the family support, particular male family support, women went into the non-traditional sectors such as printing and advertisement, engineering and construction, carpentry, and ICT sectors, all of which are highly male dominated and require high investments. One participant said,

When I started my business in this male-dominated sector, people [men] from this field came to me and told me (with very annoying laughter) that “what a crazy woman you are? Can you work in this field? It requires a lot of work; day and night, can you do that? Tell us how much you invested, and we will buy it from you.” Though it was very hard to face such situations and comments and there were times when I was very scared, I never let it appear on my face. And secondly, as I believed in myself, knowing that if I start something I am able to do it and finish it, I pushed myself and ignored them. It happened many times.....I used to share these happenings with my husband, and the way he was encouraging me and telling me that “I trust you and I am sure you can do it” uplifted my morale, and the next day I used to go to my work with even better spirit.

Another entrepreneur, Yasamin, owner of a well-established engineering design company, owes her firm's success to her father's financial and moral support in such a male dominated field. She stated,

When I started, I had many problems. I didn't have even one dollar; I got the money from my father (\$5000) to establish my office and get furniture, etc. At the beginning when I didn't have any projects and I was paying all its expenses from my own pocket, my younger brother was seeing it as loss and was pushing me to close the company. I resisted. I kept this office like my baby and as a mother I wanted to protect it and had the confidence that one day it will stand on its feet. My father was supporting me and told my brother that, “If this is what she wants let her do it. You don't need to worry.” All this gave me strength.

Family support is crucial from both moral and financial points of view, as many of these businesses didn't have financial resources at the beginning and their businesses took a while to become economically sustainable. Those women who had at least family support were in a better position and were ultimately more successful than those who didn't have this support. For the latter group, it was like fighting two battles, one with family and the other with society, thus making the whole process highly stressful for them.

Other important enabling factors quite evident in these women were their education and knowledge. This combination emerged as a common theme from most of these interviews. Many of the participants attributed their success and ability to overcome challenges to their knowledge and technical expertise. As one of the participants, Yasamin, a design engineer, said,

The only things that give me strength are my technical and professional abilities. If a woman is technically strong and has no doubt about her own abilities, she can face challenging situations. On the other side, if she is professionally weak and does not have enough skills and knowledge, people will misuse her. Her boss will misuse her to the extent that he will keep her in the office under certain conditions. Since she needs the job and has no other opportunity, she agrees to these conditions. But for me or people like me, being strong professionally and expert in my own field, I have always been my own boss, as my abilities give me the courage to stand against such situations and not agree to any conditions.

While Yasamin is referring more to sexual harassment when women are employees and men are their bosses, she holds the same views being a female entrepreneur and having male staff. For her being a young woman (in her early 30s and unmarried), her technical expertise helped her to gain the respect and trust of her all-male staff. For women who have more male employees, their own higher education and technical expertise help them overcome the ego of their male employees and make them willing to work for female bosses and accept them. Waheeda, the president of the ICT firm who joined her

husband's business and took over the presidency and management of the firm commented,

At the beginning it was not easy for my staff, particularly men, to accept me. They thought that I couldn't do it. But by the passage of time, they started trusting me as they saw my managerial skills. It was difficult for me too to operate in an environment in which they didn't trust me. I had to practice. I had to make them understand indirectly that women could also be good managers. And now I think their mind is changed.

This was more evident in intellectual and skill-based business such as IT, engineering, and legal aid. Usually in these fields men are perceived to be better than women; however, through their knowledge and skills, these female entrepreneurs have been able not only to own and run these businesses, but also to attract qualified male employees. In the case of Yasamin, for example, all her employees are men. There are very few female practicing engineers, because this field is highly challenging for women when it comes to going to the site and working closely with other laborers and builders, who are usually men. Her professional abilities and knowledge in the field make her staff respect her and follow her instructions. This indicates that women can establish their authority through the power of knowledge and skills even in a very male dominated field such as engineering and in a highly patriarchal society like Afghanistan. Many women recognized this when they were asked what "power" meant for them. The following quote captures the views of a majority of others,

For me, knowledge is power, as it can be translated into money and anything else. If we compare a knowledgeable person with an illiterate person under same conditions, of course the former one will be more successful as he/she has the knowledge.

Many of these women didn't have the initial financial capital, but still could secure their family member's financial and technical support, especially for the bigger investments.

This could be ascribed to the trust of these family members had for the women because of

their education and professional skills. On the flip side of it, the support of the family led to their education, therefore it is a win-win situation. As discussed earlier, Yasmin didn't have money to establish her engineering firm. Her father believed in her abilities and provided her with significant investment capital. Similarly Zahra, the owner of the carpentry factory, explained her experience,

My cousin, who is also my brother in-law, trusts me and knows that I had similar work knowledge, lent machinery to me. I wouldn't have succeeded in this business if he were not there for me. I didn't have a big capital—it was only \$10,000, which was not enough for machinery.

Based on this finding, I would argue family support and women's education are two intertwined factors that enable women to achieve their goals and make it easier for them to operate in conservative and male dominant societies. I would also argue that women's education is particularly important, as with the power of education they can gain family support. This is was evident in the empirical data in a number of cases where these women manage to actively question their situation, make choices and use logic to convince their families. Among others, one such example is Zakira, a 14th grade graduate and owner of the gym for women. She never gave up until she changed her husband's views on her working outside the home, which took her many years of talking and negotiating. She explained,

I was bothered and was questioning why a man can continue his education while a woman does not have this opportunity. My husband, many years after his graduation, went back to school to do his second degree program; why can he study and at the same time have a job and travel abroad, while I was expected to stay at home, take care of children, and entertain guests.....I worked on him so much until I changed him and he allowed me to work and have my own gym.

In order to change women's status in the society, it is important to provide women with equal and equitable education opportunities, so that they are on par with men and can claim authority and agency and escape their subordination position.

The third factor is the political economy situation in the country and the political will of the government to encourage female entrepreneurs. The constitution and other laws of the country have provisions for equal economic rights for both men and women and same obligations for both under the law. This facilitates women's economic participation. However, in practice these laws have not been fully translated into policies to facilitate women's participation. The majority of participants confirmed that in the last 15 years there have been some positive changes in terms of female participation in the private sector. Yet considering the patriarchal nature of the society and the fact that women are new in many fields, there has been very little practical support from the government to facilitate change. The participants were hoping for more gender sensitive policies in which positive discrimination and easier and faster processes could be considered for women.

Regarding foreign aid economy and donor projects, the majority of participants considered them catalysts in advancing women's economic participation, especially in non-traditional sectors. In response to a question about what helped women come to non-traditional sectors, one of the participants reckoned,

Early on these options were not available for women. They were caught up in tailoring, knitting, and some other traditional skills and businesses. But later on, when donor funded projects and the private sector brought non-traditional businesses, they compared the benefits of traditional and non-traditional businesses and seeing the advantages of it and its monetary and non-monetary advantages, they became interested. Not all of them were successful in non-traditional businesses and sometimes their businesses became unsustainable as they didn't have the required skills and it was highly project based, but at least they got the idea and were introduced to new options.

The participants agreed that the donor-funded projects in past 13-14 years were not only useful in terms of learning but also useful from financial point of view. One of the

participants, Mahgul, who got a project to make machine knit sweaters for Afghan refugees few years ago from one of the United Nations agencies, said,

Although getting projects is not sustainable, at the beginning it is needed, especially for women, as they don't have capital. These projects also introduced new technology. When I was working in the sweater knitting business, through one of our projects in which heavy machinery was involved I got familiar with different machines and how to operate them. Their trainings were very useful for women.

However a number of the participants contested the project-based approach of female entrepreneurship in which women were encouraged to join business by giving them grants. They viewed it as unsustainable especially for those who don't have the vision for business nor the motivation accepted becoming rich in a short time. Husna, one of the entrepreneurs proudly reported not getting any project or grant from donors. She noted,

Those women who joined business just to get donor funded projects—most of them lacked real motivation. They were more injected type of businesses, as when they saw a grant coming up, they aligned themselves to these objectives trying to get grants. That is why they were not sustainable.

In general while a majority of women see the political and economic situation favorable for female entrepreneurship, they all agree that it is not enough. Many of them believe that since women are new in this sector, political will alone is not enough; there should be affirmative action by the government and other stakeholders to further facilitate women's participation and ensure the sustainably.

Constraining Factors

The factors that hinder women, that are barriers and challenges facing Afghan female entrepreneurs, outnumber the enabling factors in number and scale. However among all of them, two major challenges emerge on which all of the participants reported. The first one was negative social perception. Although a majority of them reported that it is changing, it is still pervasive. Social perception about women's work in

public sphere is highly influenced by the culturally and socially ascribed gender roles and relations, as well as the deep binary division of the labor market—ideas about what men and women can and should do, based on their gender. For some of these women, their families being part of the same society were the first obstacles. However, depending sometimes on the level of education of their male family members and the economic status of the family, the experiences of these women varied. Those who belonged to educated and better off families and who have been living in the cities, especially in the capital, were most likely to have a better situation. Interestingly variations existed even within this category; some of those women who were pushed to become entrepreneurs by their husbands as an alternative to working in an office or with other men belonged to highly educated and well off families. Waheeda and Rona are good examples; their husbands are highly educated, both are engineers, but did not favor their wives working in other organizations or in certain sectors. Instead they pushed them to become involved in the family business, where the women excelled and became presidents of their firms.

It is noteworthy that these women were pressured not only by their in-laws, but sometimes even by their own parents, siblings, and their children. One of the participants, Zoya, reported that when she started her work in one of the conservative provinces of Afghanistan where the majority of women were housewives and considered *Purda* (proper dressing code usually included a *burqa* or other garments to cover them head to toe and even half of the face), the most severe reaction she faced was from her 7 year old daughter. She said,

While my husband was not against me and in fact he never stopped me from my work, my own family members—parents and brothers—were against the nature of my work (running a shelter for women) and not only that, my daughter too, who was only 7 years old and was badly under the influence of the society, were against my work. My daughter was comparing me with her

classmates' mothers, who were usually housewives and their dress code and social relationships were different from me. Whenever I was shown on TV or spoke in the media and when she saw me in meetings etc., she was crying and as she was bullied by other school children, she even started hating me and stopped going to school for one year. This was very hard for me.

According to Zoya, her daughter was a victim of the social perception cascade too, in which she was socialized the same as her friends were and they were bullying her for her mother's work outside home. In most of the provinces and rural areas of Afghanistan, women who work outside the house and appear in media are not highly valued, as for them women's reproductive role is more important and from religious point of view more appropriate. I met this participant on the plane traveling from Kabul to Dubai, on her way to a European country for a conference; she was representing Afghan women entrepreneurs on women's issues. She merrily reported that now her daughter, an adult, realizes the importance of her mother's work, and is one of her greatest supporters, even volunteering her time at the shelter. As it was obvious from the above case, the root cause of the family members' disagreement on women's work outside the home or in organizations other than their own or family business is the fear of what others might say. In other words, the family trusts these women but is concerned how the society will perceive or judge them. For most of those women in this study who were stopped from working in organizations or from getting involved in certain businesses, the main reason was not because their male family members didn't trust them or doubted their character; rather their concern was what others would say or how they will treat these women. Mursal, the president of an ICT firm, works in the same sector as her husband, who introduced her to the business, but she has had an experience very different from his. She confirmed,

I am under a lot of social challenges and pressures. In my field and in the private sector in general, you don't have a fixed time of work. There were times when I went to the office during weekends or I had to stay late in the office during weekdays. I am worried about what people in my neighborhoods (both office and home) might think about me, though I try to ignore it to a large extent. Even in the family, I faced challenges. Many times it happened that I could have gone to foreign trips but my in-laws didn't allow me, though my husband was supporting me, but I could not just ignore my in-laws; otherwise there would have been a clash between my husband and my in-laws. Also my in-laws were not happy about my staying late in my office and in one way or another way asked me to avoid it. It really sometimes affects my confidence, motivations and visions.

In these ways women's actions and choices are controlled by others actions and perceptions. As Naila Kabeer (2012) points out, this also has roots in the gender based segregation of job market, due to which women are concentrated in a few sectors or male family members have limited their choices by pushing them to join the family business. Although in Afghanistan the majority of people do not support women's work in the public sphere, those families who allow women to work outside the house prefer the public sector. Zahida, a young lady who is owner of a logistics company said,

I managed to secure my father's permission to get into business; however he has not agreed with some parts of my work; for example when I had to meet the investors and some of them would offer me a ride, my father did not agree with this and said, "Don't go in their cars." When I started my company my father without letting me know had asked my cousin who later on became my fiancé to be always with me as my bodyguard. When I came to know about this, I got so mad at both of them and I said, "I don't need any bodyguard. I know how to protect myself." My father has been comparing me with my sister, who has fixed working hours and office transportation as she is working for a ministry. I keep telling my dad that my work and her work are different.

Public sector employment is acceptable for many reasons, including women's safety. Many families believe that working for the government means working under certain rules and regulations; if a woman is working for an individual, the chance of not agreeing to their family's conditions and demands would be high. On the other hand, people expect women to be home before dark and not to socialize out of the office with

men who are colleagues but not family members, to avoid reputational risks. To some extent this preference for public sector work is based on the reality that it offers fixed working hours ensuring that everyone is home before it is dark. Besides fixed working hours, reliable transportation is preferred, because it leaves no room for people's misinterpretation and misunderstanding; the community can see where a woman goes and what she does.

This narrow perception of the society and the distinct divide of the labor market based on gender, level of education, and social status shape women's choices in terms of type of business. For example, Rona is a university graduate with good social status; she and her husband have higher education and relatively better income, and her husband has a good job. She was reluctant to join the food-processing sector. It bears the connotation of unskilled job usually done by illiterate women and she was hesitant to associate herself with it. She said,

I knew how to make jam; all women in Afghanistan know how to do it. But I was not sure if I wanted to get involved in that business and be known as pickle seller in the society. One day a person in the market called me "pickle seller" (turshi frosh) mockingly. He told me "you are just a turshi frosh." Usually uneducated women enter this business; rarely educated ones get into it. After some time I realized that it is a profitable business; your money grows double. So when I saw that and learned that there is no loss in it, I got more interested in it and decided to continue.

Socially some professions are looked down upon and women find it challenging to enter these businesses or remain in them for long. In the above case the pickle-making business was looked down upon, as a turshi (pickle) is something cheap and unimportant. Selling pickles in the market involves women's presence in a public place and interacting with male shopkeepers, which is not socially acceptable and has always been done by men in the past. Although everyone knows that mostly it is women who make the pickles, no one expects women to sell them.

Women in non-traditional businesses have suffered the most from the negative social perception. This might be as a result of resistance to change and the very narrow social expectations for a woman: her work is to be done in the home with an attitude showing devotion and caring more for others than herself. One example of a nontraditional business choice that brings negative social opinion to the owner is the gym for women. According to one of the participants who owns such a business,

I was insulted and my kids were insulted for having and running women's gym. My work negatively impacted my daughter's life. My daughter got married in a conservative family and one of their relatives mocked the family for marrying their son to the daughter of a sports woman. This led to my daughter's divorce. My work ruined my daughter's life. My son-in-law was conservative. Each time he came to our house, I was out of the house for my work or in meetings, etc. so he developed a negative perception about me and thought that I was not a good woman. He doubted my character and started asserting restrictions on my daughter and stopped her from coming to our house, saying, "I don't like your mother and I don't know what she does and where she goes." Despite all this I didn't give up.

The concept of a gym for women didn't exist earlier. The very conservative society didn't expect women to be associated with sports and viewed women who are involved in them as cheap. According to the owner, this was also true about the trainees; not many women from her neighborhood attended her gym as they didn't want their community to know that they were going to gym and exercising. Instead she had trainees from other neighborhoods. This also shows that the notion of confining women to the domestic sphere is so strong that if women are not often in the house or come late in the evening, they are not considered good.

Similarly, these social perceptions have caused other barriers. Because women are seen most of the time as economically dependent, those who make good progress in business can be exposed to reputational risks. Ruqia, one of the participants, commented,

If I were a man, doing this business would have been easier. Now whoever hears for the first time that this business is run by a woman—they get curious, surprised,

unconvinced, doubtful, etc. People would get easily doubtful about our source of investment and our income.[They wonder] from where and how did she find this investment money, what did it take her to earn this income; they doubt the women's honesty and morality. Although now compared to few years back things have changed, but such problems still exist.

Another participant said, "Some people think that when women get into a successful business they are either highly supported by men or they are morally corrupt."

It was apparent that the participants were well aware of the negative perception of the society and yet were trying to cope with them.

The other major barrier women reported was related to their credibility as women, which also stems from the socially constructed subordinate role of women. This forces them to rely on male colleagues or family members when signing contracts or finalizing a deal. Mahjan, the president of a legal aid organization, shared her experience,

I wanted to rent a house for my office in the rural areas. The owner didn't sign the contract with me. I had to get my male family member to sign it, although I am the owner and it is my business.

In another situation, Rona, the owner of food processing company, had a similar experience,

I went to a district in Kabul and wanted to make a deal with one of the farmers. He was not willing to talk to me as a woman at all. When we were in his house, he asked men and women to sit separately. I wanted to talk to him and discuss our business with him directly. So in public and in front of everyone, he refused to talk to me. Perhaps it would have hurt his ego. But in his garden when his neighbors were not around, he talked to me in presence of my husband. I told him, "I am the owner of the company and I am the one who makes this contract with you." Then he was willing to talk to me.

This shows how gender relations operate in the public sphere. Women are treated as subordinate members of the society and their presence in business is challenged. It also indicates the novelty of the concept of women in formal businesses, which is unprecedented. Women as new players are trying to assert themselves and change the

rules of the game. Traditionally men are more credit worthy, as they have assets and property and usually wider networks. These are the requirements of any business deal, in terms of checking background; and guaranteeing a loan (especially in the absence of proper database) is easier. If any crisis arises, it is easy to find men and sort it out with them. It is not the same with women due to social norms.

After getting into business, all these women faced yet another big challenge that negatively impacts their business even more: lack of trust in them and their capabilities. They all said that they are not taken seriously in business. Zahra explained,

Sometimes in some site visits where both men and women companies were invited to see the sites before bidding and I was the only woman there, I felt left out, even in the international organizations. The person who was talking to us—I felt that he was ignoring me or he was not addressing me at all. Though I don't blame them too much as women are very new in this field and since they are responsible for their organizations, they don't want to take any risk. Traditionally they cannot expect women in carpentry, rather in handicrafts.

In coping with these social and cultural barriers, women have opted for certain strategies, which are discussed in the Chapter VI. My understanding is that these women are well aware of the all these challenges, particularly the social barriers, and have taken it as their mission to overcome the challenges. This consciousness helps them not to give up or surrender, but rather to fight opposition and survive. Zahra, the owner of the carpentry factory, illustrates the spirit of the majority of these women,

If we just focus on problems and restrictions, which are so intimidating, we may not be able to get out of the house. Rather it is better to see the available opportunities and our abilities.

Corruption was one of the most prominent hindering factors, and it was mentioned almost by all participants. The majority of participants experienced different forms of corruption and at all stages: registering their business, renewing their licenses, and bidding and getting contracts. This finding is in line with the findings of the Building

Markets (2013) survey, reporting that top three challenges in the way of women entrepreneurs were corruption (22%), lack of capital (21%), and lack of security (19%). Corruption as a challenge is not specific to women—it is a wide spread problem faced by everyone. However, women are likely to be more vulnerable for different reasons, including their strong desire not to get involved. Almost all of them said that due to corruption and existence of mafia²⁷ in the government and non-government organizations, they rarely get selected as prime contractors. This experience is different from that of men, who have larger contacts and networks. Most of the time, men get along with the mafia and consequently manage to secure even the largest contracts. As an alternative, women have to become subcontractors, which involves more work and less profit. Husna narrated her experience,

When I was bidding for a large contract, I received warnings many times, threatening my family and myself with death, kidnapping, etc. Their demand was my withdrawal from the bidding. They burned my warehouse. My response to them was NO. Why I should withdraw? I want to get the contract and make a profit just like you do! My competitor was part of a mafia who always had this contract and didn't want to lose it this time to me.

Although she was determined and ready to face any challenge and threat, she eventually lost the contract, as she refused to pay the bribe and become part of the mafia. She proudly said,

I never wanted to bribe to gain a contract, be involved in corruption, or misuse my connections. I never compromised on my values. If I did so I would have been very rich today and would have won large contracts. I ignored my profit, but never compromised [on my values].

This view was commonly shared among all the participants. None of them had any regrets about not getting contracts by compromising their values. Rather they all took pride in not being associated with corruption. Mahjan stated, “I am not corrupt. That

²⁷ “Mafia” is the term used for organized criminals.

sometimes makes me fail in my projects. I do not bribe people, so I cannot achieve what I wanted to achieve, but that is fine with me.” This could be partly explained in light of being the honor of the family and their deterrence from being associated with something that might bring shame to them and to their families.

This explains how women do business differently. For them, their moral values are more important than monetary values. This finding was also confirmed when they were asked what “success” meant to them. None of them mentioned money or the size of their business. Rather they considered their work successful if they attained their client’s satisfaction, achieved their goals, and helped others.

In response to my question about how their gender affected their business, one of the participants told me,

When I am going to biddings, I usually see all men sitting and most of them know each other and have connections. This somehow indicates to me that it is not my place and I will not get it; however, I still continue. Some time ago there was a large contract for which I bid, and I knew that my proposal was better than the other ones and I was almost sure to get it. But later on I was informed that it was given to the other firm. It was in one of the military camps. I couldn’t go there easily as a woman due to the social and cultural problems. A man can go everywhere, any time and can talk to anyone, but for women things don’t work like that. So I couldn’t further follow up the issue and lost the contract.

Another participant had a similar experience,

It has affected me a lot. I have never won even one project through bidding process. At the beginning I bid for a number of projects and when I saw no result and men won regardless of their financial proposal; if their rate is low or high, they get the projects any way through their connections and by paying bribes. Therefore, I lost my interest and decided not to bid again; instead I focused on sub-projects. There is also no organization to go and complain to about the situation. Even if I go to the attorney general’s office it is useless. It is not only useless but it is dangerous too; it increases my problems, as people will become my enemy. For these reasons, in such a situation I have preferred to quietly withdraw, as I am a girl and they can do anything like—kidnapping me, harming my family, etc.

The traditional position of women in the society—to carry the burden of the family's honor—increases restrictions on their mobility and vulnerability. They cannot easily fight for their rights, fearing the reputational consequences. It is almost taboo for women to go to police or file a case. As the whole system is highly patriarchal, they cannot trust the relevant institution to pursue their complaints in a fair manner.

Another corruption related issue is the existence of fake female-owned businesses. A number of men-owned businesses simply register as new businesses under the names of female family members. In the absence of proper government follow-up and monitoring, these fake female-owned businesses grab the few opportunities in situations where women-owned businesses are given priority, particularly by the donor/international community. One of the participants urged,

The government should stop and fine those companies who operate [falsely] under the name of women businesses. In this way the women-owned businesses can flourish and become sustainable. Our problem is that men are using the name of women to get all the benefits, while women remain dependent and without any opportunity.

To address this issue and other concerns, a number of women entrepreneurs came together and established an association called LEAD, which stands for Leading Entrepreneurs for Afghanistan Development. According to one of the participants who is a member of this association, this is the first ever advocacy association for female entrepreneurs. Through this association, in addition to advocating for women-owned businesses and influencing policies related to them, LEAD members want to identify businesses actually owned by women. According to the participant,

We want to differentiate between real female entrepreneurs and those who just entered the market just to get money from donor funded projects. As soon as some men knew that some funds were available for women's projects, they immediately registered a number of businesses in the names of their female family members and did bidding, while those female family members were not even aware of this.

LEAD advocates for recognizing the role of women-owned businesses as women's economic contributions, especially in agriculture and carpet weaving, which is a huge industry and mainly run by women. But women's contributions in neither industry are counted as part of the national income. LEAD wants to establish a database for women-owned businesses and issue membership for those women-owned business who want to be part of this association. Their hope is to help women better connect with each other and also have a voice in making policy and fighting corruption. However, at the present LEAD lacks resources and the organization's development is very slow.

The findings of this study suggest that female entrepreneurs are more severely hit by the corruption. Unlike their male counterparts, they lack social capital. Instead they are entering the market with values such as honesty and hard work. Therefore the increased number of female entrepreneurs could positively impact the nature of the market and may result in fairer and healthy competition, in which the quality of work will replace the importance of connections and evil of corruption.

In addition to negative social perception and corruption there are many other barriers and challenges facing these female entrepreneurs. While security is a major concern for all of them, political instability is the biggest fear for them. Their physical security is challenged by insurgency—mainly suicide attacks. The lack of safety in the capital affects these women's mobility, although, like everybody else, they try to minimize it as much as possible. In response to the question about the impact of the withdrawal of international forces on their business, a large number of them did not express major economic concern. They have local clients and only a small proportion of their business is directly linked with the international community. However, their main

worry was the security situation and the possibility of political instability as a result of the withdrawal. They all give the example of the stagnation of their businesses a result of presidential election turmoil. That caused a lot of political instability and it affected the purchasing power of people who prefer to save money rather than spend it during a crisis.

One of the participants from the handicraft sector said,

The withdrawal of the troops may not have a direct affect on my work but indirectly, yes. If security gets worse, our work will go down as people would not choose to buy things which are not their basic needs, they would rather save money. So in this way my work will be affected.

Another participant, owner of the printing firm, trying to remain positive, shared her experience during political instability and how it adversely affected her,

If foreigners are here or not, we have 30 million people and they will need our business. However, the election challenges and problems very negatively affected businesses in Afghanistan It has been 6 months that I have not got any orders.

Women more than anybody else in the society fear the repetition of history and the situation they faced under the Taliban. They see their success and sustainability in business growing in the presence of a progressive and democratic government backed by the international community, which supports women's rights and freedom. One of the participants, while acknowledging this concern, in a reassuring tone said,

The withdrawal will not have a direct impact on my work as they are not my clients, but if the Taliban or any other conservative government comes into power, then it will affect my work and me. I believe that even under such conditions, if women easily withdraw and accept oppression they would be so unkind and unfair to themselves. We should not be silent any more. We should rise and be loud and make our claim as we make 50% of the population.

This awareness about their rights and enthusiasm to fight for them was apparent in most of the participants, showing their level of awareness, determination and desire for change.

They consider themselves change agents and take the credit for being the drivers of

change, particularly in the absence of affirmative action from the government and its gender-neutral policies when it comes to business. One of the participants told me,

Women themselves created these opportunities. Those women who wanted to have a business, they tried hard. For example, in my own case in establishing my business, I did not get any support from the government. Whatever I have achieved is by my own efforts. There is so much corruption in the government that no one even wants to get closer to them.... I know that it is not fair to ask for affirmative action; it doesn't exist in any other parts of the world. But in Afghanistan it is a different story; men have wider networks, in every organization they have many friends and with their help they can get the projects. There should be something to allow women to bid in a transparent way.

Another serious problem women highlighted was harassment. Unmarried and younger women were more likely to be subjected to harassment than married middle-aged women. Because women are new to private sector businesses, some people think such women are too liberal and have less respect for Afghan cultural values and social norms; others view women as simple, helpless, and defenseless people who would agree to any demands. Zahida, the owner of a logistics company, didn't have any source of financial support. She approached some investors to finance her firm and make it a joint venture. She described her experience,

Some of the investors wanted to use their investment for their bad intentions, like being friends with me, or passing time with me. It was difficult to know what was going on in their mind in the first meeting, but after meeting them for a second or third time, either I understood their intention or they somehow expressed it. Then I used to make it clear what kind of person I was and how strictly I was following our social and cultural norms. ...Well, meeting different people was a challenge for me at the beginning. I was worried about my safety and the possibility of harassment. But later on I got used to it. I faced harassment too. Once when one of my clients tried to say inappropriate words or touch my hand, I stopped him on the spot and told him, "Don't think I am weak and simple! Coming to this field for a woman is not easy. I have realized my potential and strength to take care of myself before I entered this field. Don't think of me as a weak woman who accepts whatever you want." He was so ashamed.

Similarly another participant, a young unmarried girl who is the president of an engineering firm, elaborated how harassment affects her work,

It is a big social challenge. A woman cannot go alone to somewhere. I have faced this challenge many times. If I go alone to an office, they start harassing in different ways; they send me emails, give me unnecessary calls, thinking that either I am not a good woman or I don't have any supporter. This has affected my work too, because when I encounter such clients, then I prefer not to work with them, which means losing my clients.

Unlike men, women are very selective in choosing their clients. Regardless of their need for financial gain, they have to turn down some of the clients who are not respectful enough or who want to misuse the opportunity. Women who work with their male family members are less subject to harassment and are respected.

This problem is directly linked with the general social perception about women who work outside. People, usually men but sometimes women too, think that these women have loose characters and are open to relationships with men they work with, even though such contact is otherwise forbidden in Afghan culture. In a study of challenges faced by Afghan entrepreneurs, Holmén et al. (2011) suggest that negative attitudes and lack of acceptance of working women is one the top three obstacles to their success. Culturally women are not supposed to talk or meet strange men or have any relationship with them out of marriage. While they can work together and have very formal work relationships, they cannot socialize or hang out with each other, because it will provoke negative public opinion about both. Women will experience the judgment more harshly, as they represent not only themselves, but their family's honor and values too. In recognition of culturally embedded gender relations and segregation, families prefer women to stay at home or at most work for public sector, which is more structured and somehow controllable. The cost of the reputational risk associated with women as the

honor of the family is high for women. News of their slightest behavioral misconduct does not take much to spread and this results in a lifetime losing the chance to work outside the home, as it is difficult to regain a family's confidence and secure their permission. For this reason, women are very careful in their actions and behaviors, and this cautiousness most often restricts their possibilities.

Other problems mentioned by women include limited access to financial sources, a condition that has its roots in women's practical rights to property. Although on the paper women have been guaranteed their rights to property based on the Islamic principles, in common practice either this right has been denied or women have been expected to give their share to a male family member, for example, a brother, who in return would be expected to provide protection to the woman if her marriage ended. A couple of the participants purposefully claimed this right to own property, just to pave the way for other women, even though they even did not need the property. Shogufta, head of one of the women associations and an entrepreneur in agriculture said,

Contrary to my family and villagers' expectation, I claimed my share of land from my brothers. At that time everyone was kind of upset with me, even my villagers. Later on when I turned the same land into an orchard and hired female villagers to work on it, they saw the advantage of it. Also later on some other women in my village dared to ask for their share.

Even those who could secure loans didn't find borrowing attractive, as the term of the loan was very short and the interest rate was high. In many cases, this problem caused women to be dependent on male family member. Zahida had to convince her brother to trust her and lend her money; otherwise she would have never been able to start her own business. Other men in the society (male investors) may be willing to lend money to women, but the deal usually comes with a lot of stress and the possibility of harassment and unfair expectations, which again discourages women.

In addition to these, the participants mentioned a number of other problems, including negative competition among women due to the scarcity of opportunities for them. Apparently there are two reasons behind negative competition. First, women lack a network through which they connect and support each other. Second, since the opportunities are limited, women feel insecure if someone else's business is flourishing. Perhaps because they are new in the field, they don't realize the importance of being united. Yasamin, the president of the engineering firm, doesn't have enough capital to win bigger projects and instead goes for subcontracts. She commented,

Men have the advantage of supporting each other; while women don't have this cooperation and unity. They don't support each other. I have seen some women who had money and could get bigger projects and for the design of their projects, instead of coming to me—though they know about me too—they went to firms run by men. Instead men come to me and give me projects. I told these women many times, "Let's work together."

Another entrepreneur believes that if women work with each other and support each other, they will be more successful. She noted,

Due to the lack of opportunities, sometimes women do not cooperate and coordinate with each other. I believe that women should work together and try to promote each other, as it is to our benefit. For example if a women completes a project successfully and sets a good standard and leaves a good impression, the next time it is easier for my business as a woman-run business to work with the same organization, as they can easily trust me.

Considering the small number of women-owned businesses and the few opportunities in the market for them, some competition is natural. However, one good sign is that now almost all of them have realized this shortfall, and it can be expected that this realization will bring them together. Some efforts have already been made in this regard, which will be discussed in the next chapter. One thing that struck me was the fact that none of these women talked about the challenges presented by workload or the need to balance work and family life. This can be explained in the light of the internalization of their

reproductive role and the expectations of the society (Mandal 1997): no matter how busy they are outside the house or what career they have, their prime duty is to fulfill their household responsibilities. In some cases they may even overdo it, in order not to leave any room for complaints against them. As result of trying to meet every expectation, they may be forced to quit the job outside of the home.

It is obvious that women are facing many problems, most of which are related to the social constructs around gender related issues. Despite all these problems, not only do they have no regrets about becoming entrepreneurs, but they turned these challenges into opportunities to become strong. What helped them the most was their determination and self-efficacy. The majority of them chose to come to business knowing all its challenges. Indeed, they took it as a challenge with the willpower to change it. This gives them strength to face it and power not to give up. Zainab, who runs a rehabilitation center for male addicts, is a good example of such dedication and determination. She got divorced from her first husband because she found it a very unsuccessful forced marriage; her second husband divorced her just because of her work—treating a bunch of addicted men and living with them in the same house. He saw it as big reputational risk. Not only that, she faced much hardship from the community, including the religious leader (*mullah*) who was preaching against her, but she didn't give up. She recalled,

From time to time I was bothered by police and every day the *mullah* talked about me, calling me by bad names and accusing me for that living with many strange men, etc., but I was very strong and never withdrew. I was transparent and I knew that I was doing the right thing.

CHAPTER VI
FEMALE ENTREPRENEURSHIP PROVOKING
SOCIAL TRANSFORMATION

As discussed earlier, Afghanistan is a very traditional society with highly defined gender roles and relationships. The division of the public and domestic spheres is clear-cut when it comes to gender. Men are assigned to provide for the basic needs of their family by earning an income and working outside the house, in the public sphere, while women are expected to remain in the domestic sphere fulfilling their reproductive role and managing the house. This strict division of the roles and responsibilities is firmly grounded in the society. It has roots more in traditions than in religion, as Islam does not prohibit women from working. However, it mandates men to provide for women. Any deviation from this social construct is seen as a failure of both in accomplishing their responsibilities. For example, when women work outside the house and earn an income, it may be seen as a failure of the male family member to perform his duties. To avoid this situation, men resist women's working outside the house and having an income.

The story of Zakira, one of the participants in this study, is a good example of such a situation. She started her work as a tailor to generate income when she was living in Pakistan as a refugee. After returning to Afghanistan, she established a gym for women. She explained her husband's attitude towards her income,

All those years I worked in Pakistan, I didn't let anyone know that I had an income. My husband's job was in Afghanistan and he was traveling between Afghanistan and Pakistan. His salary was very low, not enough for all our expenses. So I worked to fill the gap, but I never gave him the feeling or made him realize that I was also working and I never talked about my money; if I did so, at that moment he would have stopped me from working.

Similarly, women's work outside the house may suggest their own failure in their reproductive role. These perceptions have negatively affected both genders but women more severely. While this overloads men with the burden of being breadwinner for the family, it makes women economically dependent, socially subservient, and politically disenfranchised.

In the following section I explore how women manage to retain their visibility in business despite this rigidly gendered social paradigm and what survival strategies or 'patriarchal bargains' they choose so as to overcome the myriad social and traditional barriers discussed earlier. Then I discuss how female entrepreneurship impacts women's status in the family and society, whether or not it contributes to their empowerment and improved employment, and finally how it contributes to an overall social transformation in terms of gender relations and roles.

Survival Strategies

As discussed in chapter II, women strategize as a way of 'bargaining with patriarchy' (Kandiyoti 1988). Their strategies differ based on their specific conditions including their marital status. I discuss a number of these strategies in the following section.

Not Stretching the Social Fabric Too Thin: Female entrepreneurs face many social and cultural problems. One of these problems is a very clear and linear division of labor. This makes it highly challenging for female entrepreneurs to gain the support and trust of the society, especially in traditionally male sectors, and imposes barriers on them. These challenges and barriers make women very cautious in their actions and slow down their progress. Given the fact that these challenges and barriers cannot be fixed in short run, women have adopted strategies to survive within this rigid structure of power and norms.

As the majority of the interviews made clear, despite their strong desire to challenge the existing norms and gendered traditions, these women take very careful steps, as they fear backlash. They try not to stretch the tolerance of family and community too thin, so they don't break the supportive connections they need. Inside the family and outside, they take extraordinary measures to allow their businesses to survive. They are hyper vigilant to avoid doing anything to make the society and their family act against them and jeopardize their businesses. They push their agenda to the extent they think it is possible, and after that they just try to make compromises. Their survival strategies operate at two levels, family and society.

Strategies at family level: At the family level, women try to get the buy-in of key family members, meet their expectations, and prove their own merit. Participants reported various strategies at this level, depending on the extent of opposition they faced in their family regarding their businesses. They negotiate around obstacles, involve family members, and fulfill their reproductive roles in the house as expected. For example, Zakira, the owner of a gym, reported that at the beginning her husband was totally against her working and earning an income. She said it took her a long time to negotiate with her husband, to convince him to allow her to work. Knowing that her earning would hurt his ego, she found the solution in working as volunteer in the gym. She didn't insist on working for money; otherwise she would have lost the chance to work at all. She said "If it [my work] was for money, he would have never allowed me to do it." This strategy helped her to get into this business. As time passed and negotiations continued, she even managed to win her husband's permission to have her own gym and charge her trainees a fee.

Involving male and female family members was another strategy mentioned by a number of female entrepreneurs; this strategy indeed helped them not only at the family level but also in the community. At home these family members became advocates for the women and developed more respect and better understanding of their work. For Zakira, her mother-in-law, who had never worked outside the house, was another problem. She was suspicious of Zakira's work, her character, the people she worked with, and the environment in which she worked. Zakira explained how she overcame her mother-in-law's resistance,

One day I decided to take my mother-in-law with me to the gym where I was volunteering. I wanted to show her what a female gym looks like and to assure her that there were only women with whom I was working. That day I introduced her to my trainees. I had her sit in a comfortable place and then started training women in several shifts. When we came back home, she started advocating for me, and developed sympathy with me saying, "Poor Zakira works so hard, she trains all elderly women, she gets very tired." Her behavior totally changed towards me and it helped me to have my own gym.

Another example is Ruqia, who involved her brother and her brother in-law in her business by giving them jobs. She said,

To overcome the negative perceptions of people and my own family, I thought of involving male family members. I hired my brother as an administrator and my brother-in-law as my driver. This helped me a lot to become successful. From the very beginning my brother in-law worked with me as my driver; in this way he knows and sees where I go, what I do, etc. This leaves no room for rumors and negative views about my work. I pay him the same salary as I would have paid an outsider. If he were not there, they would have created problems for me and might have added restrictions on me.

As discussed earlier, the majority of women also confirmed consulting their husbands on business issues and even giving their own income to the men to manage, because they don't want their husbands to feel inferior, especially in public. In Afghanistan if a woman is accompanied by a man for shopping, eating out, travelling, etc., it is always the man

who pays. If the woman tries to pay, the man will not allow it, as that represents a deviation from their socially constructed role to provide for women. Even the shopkeepers and taxi drivers do not expect the woman to pay. If a woman pays the bills in public, it reflects badly on the man, who will be seen dependent on a woman. So for that reason women give their income to their husbands, as they are the ones paying for the expenses and managing it. (They also keep some for themselves. to be financially independent and spend it the way they wanted without reporting to he husband.) The majority of women confirmed that they are fully managing their own businesses; however, from time to time, especially at the beginning, they seek help from their male family members in terms of logistics, such as importing machinery and raw materials from abroad, finding and negotiating the space for office, etc. Some of these women claimed that they could even do these things themselves, but they preferred not to, for security and social reasons.

From this it could be inferred that women are trying to minimize family opposition by conforming to social norms and to avoid any backlash that could arise from sudden challenges to the norms, especially those in which men are historically seen powerful and in leading positions.

Conforming to social norms was also evident when almost two-thirds of the participants reported on the ways they tried to balance household chores and outside work. More than ever, they put a lot of effort into fulfilling their ascribed gender role at home, in order to prove themselves capable of managing the demands of both private and public spheres. Husna is highly educated and has her husband's full support, yet she is still very cautious on this issue. Just like all the other participants, she tries to abide by the rules,

I don't complain about the workload; that I am working outside and in addition to that I have the responsibility of kids and house chores. I have tried to shoulder all responsibilities, as well as my studies. I wanted to fulfill my duties as a wife for my husband and as mother for my kids. I tried to keep the balance and do all my work. I don't do anything that provokes social norms in ways that provoke husbands, who then start opposing their wives' work outside and putting restrictions on them.

To overcome this perception and meet the expectations of the family and society, all of the participants reported being very dutiful in the domestic sphere; they do not want to allow any excuse for families to blame their outside work. This means that both environments in which they operate, outside and inside the home challenge women. They are overloaded with expectations, challenges, and barriers, but as one of the participants said, "All these challenges I faced are lessons for me to learn; they make me stronger to achieve what I wanted."

Though women are caught up in this structure, they covertly challenge gendered tradition and social norms by operating within the system. So far, it seems to be functioning well: at least they have been achieving what they wanted. However in two cases the participants reported overt actions. They both were unmarried and very young (aged 22 and 28 years); one is running a shop in a busy and highly male dominated market in Kabul and the other one has a construction and logistics company. They bravely established their businesses with their own savings and without informing their parents until everything was in place. According to these women, if they had informed their families in advance, the families would have stopped them. This seems to support the idea that married women are more careful in their actions, as they facing more pressure than unmarried women. By taking extra caution, married women ensure that their married life is also secure and peaceful; otherwise their work will become another source of social pressures. Unmarried women take advantage of the cultural expectation

that their fathers will not disown them, because that would bring stigma to the family. These examples capture the power structure and social pressures shaping these women's experiences differently from each other.

Strategies at Society level: One of the participants captured the most common attitude of women towards what others say about them,

I try to ignore what people talk about me. People talk anyway because it is free. If talking cost money, no one would have said an extra word. I just continue to do my work and ignore what people think about me.

Another participant, Naseema, works in food processing sector and supplies her products in markets and shops where there is total male dominance. She opted “ignoring” and “persisting” as strategies, which has helped her and her colleagues to normalize their presence in the markets. She explained,

The first time I or my other two colleagues (women even younger than me) went to the market and introduced our products to shops, we faced harassment. We just tried to ignore it and pretended that we didn't see or hear anything. In this way they [the harassers] felt ashamed and the second time they didn't try it again.

However, women entrepreneurs also take positive measures to survive in business. They choose their strategies very carefully in order to protect themselves and gain credibility. Women face numerous obstacles to success and their strategies for coping vary depending on the type of their businesses.

Showing respect for the cultural and social norms: Majority of people are not encouraging women's presence in business, because they see business as a more masculine job that requires interaction with a wide range of clients, mostly men. Therefore the women in this study are very careful in their actions in public. They take extra measures in dressing. They wear very modest clothes, keep their scarves on all the time (in contrast to some other women who are more relaxed about this), and use little or

no makeup. Almost all of the study participants use these ways to convey their seriousness about their work and their desire to gain the trust of people, prove their character, and finally overcome harassment. Zakira, the owner of the gym said, “I follow traditional norms and wear proper and modest clothes even when I am with my trainees.” She further clarified that she knows her female trainees do not care what she wears inside the gym, but if they talk about it in at home, their male family members might think of Zakira negatively if her clothes are not modest. To avoid damaging her reputation, she wears culturally and religiously appropriate clothes.

Those who have only female staff have the same expectations of their staff too.

Mahgul has more than 10 female staff in her tailoring factory. She recalled,

On her first day on the job, one of my young and good-looking staff wore inappropriate clothes. So I told her to wear appropriate clothes, as men will think badly about us if we are not careful, and my reputation will be at risk. She agreed with me and from next day she wore loose clothes and a scarf. I know that she is very good, but our society is not good so I wanted her to be careful.

Furthermore, they are also very careful in interacting with men. In Afghanistan, gender relations and interactions between men and women are regulated. Women keep the required distance from men, not just in their behavior but even in their tone and words.

Yasamin, the owner of a design engineering firm whose clients are usually men, explained how careful she is in her behavior,

My projects are usually one year long and I have to work closely with the head of the project. During this time if I am very nice and friendly with them, they take it wrong. They also become friendly and try to misuse it or get the wrong impression. For that reason I try to be very careful in my actions and behavior.

This means that they have to be watchful of so many things at the same time that it definitely affects their networking. Usually networks are products of socializing and very often they are based on personal relationships, which are obviously not possible for

women because most of their counterparts are men. Women are usually concerned about being judged by people. They want to develop good reputations in society and also avoid any negative assumptions about them and their businesses. This was more evident in unmarried and widowed or divorced women, who don't have male family members present in their businesses. Usually people get curious about an office where all women work. They carefully observe all their actions—whom they meet, where and with whom they go. In Afghanistan in general, the effects of this kind of social pressure and accountability are significant for women, but when it comes to women and their businesses, it is even more significant. For this reason women try to avoid being seen together with male colleagues in public and they don't take rides from them. Mahgul, who is in her mid-thirties and is divorced, felt the pressure more than others. She said,

When my clients want to see my tailoring factory to place their orders, they offer me a ride in their cars to go there. I thank them and instead to take a taxi moving parallel to their car. Seeing this, my male clients salute my dignity and praise my character. I work without allowing any negative impact on my character...

Zakira is a woman who looks younger than her years and is very aware of the negative perception of the society about her gym. When dealing with men in her other office or with suppliers, she involves her adult son. In this way she tries to show to the public that whatever she does, her family is aware of that and they support her. She seeks the support of others by showcasing her own family's support.

Involving men: Although this strategy seems to reinforce the social perception of male superiority and women's dependence on them, it has proved effective in gaining the trust of their clients for these women entrepreneurs, at least at the beginning of their work. Because women are new in business, one of their major problems is that people don't easily trust them or take them seriously. Showing they have the support of men

inspires trust and confidence, and it also helps reduce the chances of harassment. This doesn't apply to all businesses, but rather to those that are in male dominated sectors such as information, communication and technology (ICT) and engineering. Yasamin narrated,

I usually don't see unknown clients without a male family member in my own office. In Afghanistan nowadays it is difficult to trust people. Once I know the clients, then I can meet them alone too, but when I meet them for the first time, I prefer to have my father or brother with me. I do this not only to ensure my own security, but also to gain my client's trust. Otherwise clients might think negatively about me and take me wrong, for being a young woman by myself in this office, or they might doubt my abilities.

Likewise Waheeda from the ICT sector finds it useful to have her husband around,

My husband is always with me when I go for biddings, as the environment is very challenging for women. Some men just refuse women; they completely ignore them, and some have a very conservative view and double standards. Or even if they say verbally that they don't have any discrimination against women, they may say it only because this has a currency and just to show themselves good, while in reality they discriminate against women. So for all these reasons, I prefer to have my husband with me, as this field is highly male dominant.

Using the opportunities at hand: Women who have deep insight into their situations and keen awareness of all these socio-cultural issues try to grab any opportunity available for them. Knowing their limitations in resources and networks and the power of society's perceptions, they go for low hanging fruit, instead of aiming for big and unachievable targets. For example, as discussed in the previous sections, due to lack of resources and gender-based discriminations, women can seldom get big contracts, so they go for the sub-contracts. I believe this choice helps them to avoid frustration and to build a foundation for bigger steps and for normalizing their presence in the market and gaining essential experience.

Softer and friendlier office and staff management style: The majority of women reported having only female staff or a mix of male and female staff; a few have only male staff due to the unavailability of female staff skilled in their sectors (engineering,

carpentry, printing, and logistics). In response to questions about how they manage their staff and what kind of boss they consider themselves, almost all of the participants considered themselves to be friendly and soft. However, they try to find a balance to avoid sending any wrong messages, especially to male staff, and to prevent any misuse of their softness. Those who manage only male staff are very careful, and their management style is a bit different. Most of the participants reported being very careful with their staff in managing them. Historically and traditionally, it has been men in leading positions and managing women. Now seeing a woman in a leading position and receiving orders from her is not easy for them; their egos might be hurt, and that could lead to more resistance. One of the participants explained,

In our society if a male boss orders a male colleague or questions him, he will not get offended, but if a female boss does the same, he will be offended and he may even give up working for the organization. They cannot see a woman as a leader.

These women are trying to change this paradigm. They understand the psychology of their male staff and are trying to make it easier to get themselves accepted as boss by being nice to the men, not being too bossy or showing superiority, and working with them equally. Mursal, who runs an ICT business, described,

I usually try to be nice. For example, if I want to question or criticize their work I start with good remarks and show a lot of respect to them. Then I make my point. I also avoid giving orders, but frame it more as a request such as, “Your work is admirable; you do a good job. In my opinion, if you do it in this way it would be better.” In this way, they get happy to hear good things about themselves.

With my support staff, I am also extremely nice, like a mother and or a close relation. Otherwise I fear that they might not listen to me or follow my instructions.

Another participant, Zahra, owner of a carpentry factory, found it very difficult at the beginning to manage her staff—all male laborers—but slowly things improved through her efforts. She said,

For my workers, as they are illiterate, it was for the first time that they had a female boss or were working for a woman. But I have tried to make it easy for them. I tried to get to know them, know about their families and be very friendly, so they don't feel very strange. I keep following up on their family problems, calling them by name, and treating them very respectfully. I make them feel that it is their work and they feel the ownership of it. This not only makes it easier for them to work for me, but also encourages them to do a better job.

As it is obvious, most of these strategies are in compliance with social norms and sometimes they even reinforce the current gender inequalities with respect to women's workload inside and outside the home. Women are caught between modern expectations, which require women's economic independence, agency, and equality, and traditional expectations, which reinforce women's reproductive role, subordination, and obedience. Women in this study have chosen to balance the two. One of the participants commented,

It is important to prove yourself to others, because society has a negative perception about rich and independent women. One of the ways to overcome this perception is to follow their norms and move within these norms.

However some of the participants explained that they particularly try to change the deep-rooted belief that if women work outside the home, their children will suffer or their house will be a mess. One of the participants summarizes the way many see this challenge,

I showed to the community that besides being a successful entrepreneur, I am a successful mother too. All my children are holding positions in their schools. The general perception is that if a mother is at home, she can raise better children, but I showed that those mothers who work outside could also be good or even better mothers, because they do everything based on a proper schedule. Because a mother has more awareness, she knows how best to raise her children.

From the above discussion, it is clear that the majority of participants have chosen more covert and accommodating strategies that, according to Kandiyoti (1988), are more common in classic patriarchy. In these strategies they are trying to gain the support of family members, especially men, to succeed. Kandiyoti notes these are interpersonal

strategies. Although these strategies might seem they reproduce the gender subordination of women, they have helped women at the individual level, if not at the structural level, to increase their choices and achieve their goals. This is in line with Wolf's (1972, cited in Kandiyoti 1988) findings in China where these kinds of strategies have resulted in women's increased options. Kandiyoti further notes that women choose these kinds of methods to sustain the support they have from the system, which might not be immediately provided by modernity or other alternatives.

This study and others show that Afghan female entrepreneurs face gender-based discrimination and gender stereotypes. But there is no cure-all remedy for these problems. Does women's entrepreneurship contribute at all to women's improved status and employment? Does it bring about social change? In the last section of this chapter, I unpack these questions and explore the impact of female entrepreneurship in general and how women themselves understand it.

How Female Entrepreneurship Impacts Women's Status

Entrepreneurship is a relatively new option for Afghan women in the formal economy of Afghanistan. It represents divergence from their historical involvement in the informal economy, where they were producers rather than traders. Therefore, it is a critical question how this new work impacts their status in the family and society. It is indeed a huge change from their former role. In this new work, they have emerged as owners, leaders, managers, employers, and traders, becoming more visible and to some extent more independent. Notably this change had its impact on these women's status both in the family and in the larger society. A significant number of them reported that their status has improved. They linked this to being able to demonstrate their skills,

talents, capabilities and achievements through their business. In other words, they attribute their improved status to leadership positions they are holding in their organizations and to their achievements, rather than to economic gains. This emerging evidence of new competence increased their family's confidence in them and nurtured family respect for women's capacities.

This was evident in the case of Naseema, the owner of the pickle-making firm, whose brother opposed her business, because he did not consider her and her two other partners capable of running a business on their own. Naseema said that once their company had some achievements, her brother not only was convinced that she had skill in business, but he also started involving her in decision making at home and gave her bigger responsibilities too. She proudly said,

Now my brother really counts on me and gives me more authority and trusts me to do big and challenging work and activities for the family. For example, he authorized me to process and receive my parents' pension, which is a long and complicated process. Also he seeks my opinion in whatever he does.

The majority of participants claimed to have enjoyed respect and authority similar to male family members even before becoming entrepreneurs, as most of them belong to well-educated families. But their improved social status and their professional achievements affected and in some cases transformed the power dynamic in the family. This was obvious in a number of interviews. For example, Mursal works with her husband running a big and reputable ICT firm. She shared her story,

I remember few years back when I was not involved in business, I used to polish my husband's shoes every day, and when he saw me doing that, he was OK with it; he was indifferent. But then I joined the business and became successful and my social status improved; I was invited to different meetings and even a couple of times met the President. One day he saw me polishing his shoes and said, "Don't do it. I will do it myself. I am ashamed that you clean my shoes."

I was so happy to hear that, but at the same time I told him that inside the house I am the same—my position outside is a separate issue.

Another example is Mahjan, who explains the change in her status,

Before, I was an ordinary person. I was following another's instructions inside the house and outside. Today I don't; others follow me. I have proved myself and my high social status has helped my status at home. Before when I was late from my work and as a result the lunch or dinner was delayed, my husband would get upset. But now, knowing that I have many responsibilities outside and I have an important position, he doesn't mind it.

Based on the findings of this research, women's social status and their status at home are interlinked. While better status and family support help them to enter society and do big things, in turn their good status outside affects their position in the house. Their higher position outside brings balance in the power relations in the house, because, as one said, "I have an important position." Although most of these women were working before, that didn't give them the autonomy and recognition they experience in entrepreneurship. It has also helped them to come out of the situation in which they had internalized their social status as being second-class or unable to do certain things (Kabeer 1999). When they were asked how entrepreneurship affected their social status, their answers were positive; one of them said joyfully, "I am a president now."

Therefore, it is important to ensure that women can maximize the few opportunities they have outside the house and help them to become successful. In the case of Mursal, her social status convinced her husband to consider her equal, not subordinate. Traditionally women in Afghanistan do most of the work for their husbands as dutiful wives, washing and pressing their clothes, polishing their shoes, making their bed, etc. This is because a husband is considered to be high in status and short on time; therefore, since the wife is considered neither important nor very busy (because

household chores most of the time are not even counted as work), she is expected do all this work for him.

In the larger society too, despite myriad barriers, especially negative social perceptions, the majority of the participants reported improved social status as a result of their entrepreneurship. This positive change could also be explained partly in the light of the nature of their work and their intentions, which include addressing the needs of people, helping others, and providing job opportunities. Of course at the beginning, each one of them faced opposition and went through many challenges—which still exist—but as they continued their work, proving themselves and their intentions, and as people also learned about the importance of their work and achievements, things slowly improved. When the community saw Mahjan successful in providing legal aid and witnessed her achievements, they were convinced that she could help them, so they came to her with their request to help them establish a primary school in the neighborhood.

The participants considered themselves well respected among their families and friends. In this regard Mursal said,

My role as a leader in my business convinced others that I am capable and in this way they gained more respect for me. My friends come to me to even discuss their personal problems, as now they have more confidence on me and think that I know more. All these give me a sense of responsibility and I try my best not to disappoint them, as they all have started to trust me. I am so happy for what I have gained so far. When they introduce me to their colleagues and friends as director of my business, I can see the change in their behavior.

This study shows how entrepreneurship has given women a platform to demonstrate their capabilities and has contributed to improving their status in the family as well as in society. I would argue that this is very important for conservative and patriarchal societies, in which women have always been considered less capable. In Afghan society, many even believe that women are “Naqis-ul-Aqel” (of defective intellect); because they

never give women the opportunity to prove themselves, they think women are not capable. Entrepreneurial work, even in small companies, has good promise for women, even those who belong to very conservative families opposing women's work with men. It allows women to choose the working environment they are comfortable with and to overcome these negative perceptions, which leads to their improved status. I believe this is an important finding that has not been captured in many studies. A larger body of literature discusses entrepreneurship from economic point of view, but the social aspects have not received enough attention (Kantor, 2002; Calas et al., 2009).

How Entrepreneurship Impacts Women's Empowerment

Considering the traditional status of Afghan women in the family and society as well as the pervasiveness of institutional barriers, I was interested in exploring the impact of entrepreneurship on the lives of women entrepreneurs. Measuring women's empowerment is not easy (Mason 1995). However, it is important to capture how women understand their success as a result of being empowered (Pollard 2006). The accounts of participants in this study concerning empowerment include both economic and social facets. The majority of them reported that they now have some control over resources and are involved in decision-making, but it is not clear to what extent. I would assume that they all reported positively to prevent been seen as weak in front of me; however, almost all of them reported an improved situation in the long run. Their businesses have enabled them to select from a broader range of choices. For example, Zahida, a young and educated woman who owns a logistics company, was able to choose her cousin as her life partner; because she had her own business and her own income, she was in a powerful position, not dependent on her parents to arrange for the engagement and worry about the

expenses. She chose her cousin as her husband; otherwise he wouldn't have been considered eligible by her parents as he was not financially stable. (It is usually the boy's family who bear most of the engagement and wedding expenses.) Parents usually want their daughters to marry someone financially stable to ensure a better future for them and make sure that they will not suffer economically. Zahida, having her own business, didn't need to worry about this aspect at all. She just made her choice without considering his financial circumstances. Knowing this to be the case, she arranged everything without consulting her family and without seeking any help from them and then announced it to her family. She said,

Whatever I earned, I invested in my business, spent it on my education, and paid for our engagement party. After arranging everything including printing cards, I informed my family, which was a big surprise for them but since they all knew him, it was not a big shock. My fiancé's family has low income and all our relatives knew about it. When we had our engagement party in a good hotel everyone thought that it was my father or brother who paid for it²⁸. Later on when they came to know that none of the families paid and it was mostly myself bearing this expense from my company's income, it left a good impression on our relatives and they appreciated it.

Similarly, Feroza, a single woman who owns a shop selling women's accessories, described what she would do if a prospective candidate for marriage was not supportive of her working and owning a shop,

My work is a priority because I have put in all the effort to earn it. I will make my work as a precondition for my marriage; if he can accept me like this, it is fine; otherwise I will not go for it.

She makes it clear that since she has an income and is independent, she does not have to agree to marry anyone. She will have the choice to accept a marriage proposal or reject it, based on the mentality of the man who proposes. The increase in autonomy was also evident in choosing the type of business, as discussed in Chapter V. Entrepreneurship

²⁸ In Afghanistan usually the groom's family pays for the wedding and engagement parties.

enabled participants to enter fields of work that otherwise they wouldn't have a chance to choose, such as carpentry, printing and ITC, because they are so male-dominated. By pushing the boundaries in choosing a profession, they expanded the range of choices not only for themselves but also for other women in the future. From an economic point of view, they all claimed to have control over their income and resources; however, some of them didn't deny giving their income to their husbands, as they didn't want them to feel inferior. Mahtab, the pickle maker, generated her own income to build her house and buy a taxi car for husband to work. Her story showed how her work contributed to her empowerment in terms of control over resources, mobility, and power dynamics in the family. When I asked whether she can spend the money the ways she wants, she answered proudly,

Yes I can. For example, my mother lives in a village outside of Kabul. Whenever I want to go and see her, I give my husband 2000Afs [40\$] from my own money to refill the fuel tank of our taxi and take me to my mother's house. Sometimes when he makes excuses, I tell him, "Fine, I will take another taxi and go." Then he feels forced to go. And when we are there, sometimes he rushes me saying, "Let's go, let's go." I tell him, "If you rush me, next time I will not come with you. I would rather take another taxi and move at my own pace." I tease him in the car by saying, "Don't forget that now you are not my husband, but my driver." On the way there too, I make him stop and give him money to buy fruits or other groceries for my mother and he just does it. He cannot say no, as it is my own money.

As it could be inferred from the above accounts, the participants have gained "bargaining power," the term used by Hashemi and Schuler (1993), who argue that entrepreneurial income increases this power. The empirical data support this claim, which holds true especially if the women owned the initial investments at the start-up stage. In both of the above-mentioned cases, the women didn't get any support from their families; either they took money from their own savings or they borrowed it. This in turn increased their decision-making power and participation in all aspects of life, which is one of the

essential pillars of empowerment, the pillar described as “power over” (see Kabeer, 1994; Rowlands, 1997). The participants invariably spoke about gaining confidence and trust in their own abilities through their businesses. They also reported valuing themselves more. As one of the participants said, “Before I was just a housewife, and I had no value. I did not even have the confidence to speak.” Another who used to consider herself an “ordinary employee,” now says “I am a president!”

Their businesses nurture women’s self-esteem, which is one of the five basic human needs described in Maslow’s hierarchy (Maslow 1943). According to him, this need encompasses the desire for achievement, strength, confidence, respect from other people, and recognition. Blocking opportunities to develop self-esteem causes the individuals to feel unimportant and weak (Maslow 1943). From my observations and the participants’ accounts, in a traditional society where women are seen as inferior and internalize this inferiority, female entrepreneurship has helped women to satisfy their need for self-esteem. This was evident in the way they see themselves as successful because they achieved personal goals, gained respect at least from their staff, had an important position of leadership, and are independent. This self-esteem, trust of oneself, confidence, and self-efficacy are directly linked to empowerment.

Naila Kabeer (2011, p. 499) defines empowerment as a multi-dimensional process of change. She writes,

These processes touch on many aspects of women’s lives, both personal and public: their sense of self-worth and social identity, their willingness and ability to question their subordinate status in society; their capacity to exercise strategic control over their own lives and to negotiate better terms in their relationships with others, and finally their ability to participate on equal terms with men in shaping society to better accord with their vision of social justice. (Kabeer, 2011. p. 499)

Based on this definition, entrepreneurship has had considerable impact on women's empowerment. As discussed in the earlier chapters, it has enabled them to challenge gender and social norms and negotiate their status by entering non-traditional sectors and proving their capacities, recognizing their potentials, gaining some level of control over their lives, and helping others (women) bring gender balance. Mahgul, who has provided job opportunities for at least ten women, explains how she understands empowerment,

I have reached my goals, for which I am happy. I feel sorry for those men who sit still and cannot earn 50Afs per day²⁹. Compared to them I am successful, as I am not only able to support myself, but to support other women too and bring changes to our lives.

For her "reaching my goal" means both economic and social gains. When she was married, her in-laws made her sell her own household furnishings on the street to earn some money, which is considered very inferior work, especially for women. She equated that work to "begging on the street" and compared it to what she is doing now. She considers that her social identity (from a being a beggar to becoming an entrepreneur and employer) and her economic status (from dependency to financial stability and autonomy) have improved. What is important to note is that with her relatively lower level of education (high school), she would not have been able to secure a respectable and well-paid job in the labor market. Entrepreneurship made it possible for her to open her own business with just a little investment. Her business enabled her to overcome the socially constructed perception that women always need male support for both social and financial security. Mahgul said,

²⁹ 50 Afghani= 1 US\$. She refers to the men who work as laborers. There are some locations in the city where they all gather and wait for people to come and offer them job. It happens that some days no body offers them a job, and they go home empty handed.

I became a victim of family violence and I wanted to sacrifice my life for others. I want everyone know that despite all the challenges, a woman can be successful and move from a very low position to the highest position.

Likewise Zainab, who also lacked both male support and financial backing, explained how her business taught her to recognize and trust herself and her abilities,

Economically it [my experience] empowered me and made me trust my abilities and myself. When I started my restaurant, I was hoping to get support from others, but when I didn't get any, it forced me to find my own way.

Their achievements and social identity led them to recognize their self worth, which is one of the important pillars of empowerment. The findings of the research are clear about the significant impact of entrepreneurship on women's empowerment, especially terms of "power to" and "power from within." However, it is hard to establish its direct link with "power over" at the family level, considering the traditional status of women in conservative societies. Also because the women want to be successful while maintaining good reputations and strong connections to family and avoiding backlash, they take careful steps. As Rowlands (1997, p. 11) explains, "When power is defined as 'power over,' then if women gain power it will be at men's expense....Men's fear of losing control is an obstacle to women's empowerment." Therefore, to avoid the negative consequence of this shift, especially on their conjugal relations, women try to conform to social norms and operate covertly within the system. I would argue that for meaningful empowerment, which will eventually lead to "power over," it is important to foster "power to" and "power from within" in women in conservative societies, where women have internalized their subordination and accepted the belief that they are less capable than men. This personal dimension of empowerment builds the confidence and capacity

of the individual and overcomes the effect of internalized oppression, so that the person sees herself in a position to make decisions (Rowlands 1997).

How Female Entrepreneurship Impacts Women's Employment

The motivation to create jobs for women and play a role to empower them is very strong among the participants. This positively impacts female employment, especially among conservative families that don't allow their daughters to work for male bosses or in male dominated organizations. From my observations and informal chats with a number of female employees, it was clear that these women felt comfortable working for a female boss and that they had secured permission to work outside the house because the organization was run by a female. Mahgul, the owner of a tailoring factory, explained that the male family members of her workers accompanied them to the job interview to see the work environment and check for whom their daughter or wife would be working. Only after ensuring that it was a female-run and -operated factory did the men allow the women to work in the factory. In response to the question about why she wanted to hire female, Mahjan, the president of the legal aid firm, told me,

In my organization it is so important to have female staff. A woman who has been abused can easily show her wounds to a female staff member or talk about it, while she cannot do the same with a male staff member for religious and cultural reasons. This helps and supports her case and would lead to a better outcome and will be a good lesson for the husband or whoever abused her. Men will learn that in the 21st century, they cannot get away with beating wives. Secondly as a relatively young woman, I myself prefer working with a woman. I feel comfortable doing so. Even from the Islamic point of view, I feel better working with women. The other reason is that women are more honest and hardworking. Men usually don't hire married women or women with kids, as they think that they will become a burden on the organization. For me married women are the most deserving ones and they do need a job. I have even provided them with a day care space for their kids.

Mahjan summarizes the major reasons these participants gave for preferring female staff; they see it beneficial for both employer and employee. As employer they feel more

comfortable to work with other women for both cultural and religious reasons. One of the participants told me “I am happy that all my employees are women so I don't have to worry too much about wearing long sleeves or covering my head all the time [proper code of dressing in front of male strangers]”. From a cultural point of view, it increases their acceptance if they work with and for women. Their preference for female employees not only increases job opportunities for women who otherwise are not allowed by their male family members to work for men, but also empowers other women as their clients or customers. For example, in Kabul and in a few other big cities in Afghanistan, the government has established walled parks specifically for women called “Bagh-e-Zanana” (women’s garden), which also have a large number of shops. All of these businesses, from food carts to women’s accessory shops, are run by women. This has contributed to women’s mobility as customers too, as their families will not object to their visiting these shops, knowing they will interact only with female shopkeepers. Similarly, in the case of other professions (especially medical and legal aid), the presence of female employees enhances the accessibility of these services for other women and therefore contributes to their empowerment. Nonetheless, not all female entrepreneurs are able to find qualified women to hire, especially in nontraditional sectors such as printing, carpentry and engineering. This approach of giving preference to female employees might encourage continued gender-based segregation in the job market in the short-term; however, as women get more confident and working outside the home becomes less a taboo, this issue will be resolved as women working become more familiar as employers and employees; perhaps some day they will be able to work alongside men too.

A large number of participants claimed they had used affirmative action in employing and retaining female staff. In response to my question about the reason for using this strategy, one participant stated,

Well, because I am a woman and I know other women's problems. I know how many challenges a woman faces once she gets to the public sphere. I know how much it takes a woman to get education and reach a certain level; she faces many hardships. If a woman becomes self-sufficient and has her own income, family violence decreases. If a woman has a job and income, she will be respected in the house.

These female employers reported offering flexible working hours when needed by female staff, building their capacity, and sometimes providing them with transportation. For example, I witnessed Mahgul, the owner of the tailoring factory, stopping a taxi to take her home and giving a ride to a few³⁰ of her staff members who were going in the same direction. She said this is what she does everyday just to help these girls, as she knows how difficult it is for girls to find cheap and secure transportation, especially in the evenings.

The participants have even tried to create jobs for women who are illiterate and are not allowed to work outside the house, because they believe that having an income will empower them. By creating jobs for women, these enterprises address poor households' needs. As Vossenber (2013, p. 19) notes, "... since women are more than twice as likely to be operating in the informal sector, necessity-based entrepreneurship among women is bound vastly to grow and expand to meet the need of poor households." The job not only helps her family economically, but also improves her status in family and society and increases her self-respect and self-esteem. She becomes economically empowered, and her role in the family changes from being a support receiver to being a

³⁰ Their number exceeded the number of seats in the taxi, so she could not take them all.

support giver. It also contributes to women's increased mobility. Therefore, the growth of women's entrepreneurship is very important for women's employment, especially in religious and traditional societies like Afghanistan where women have not historically been allowed to work outside the house. This constraint can be eased for jobs in a female-only work environment, the kind of environment usually created by women-owned enterprises.

This is in line with the findings of Holmén et al. (2011). They suggest that because of their small size, women's enterprises may not link directly to economic growth, but they do contribute to employment, particularly female employment, because cultural factors make it more likely for women to work for women than for men.

Female Entrepreneurship as Social Transformation

Female entrepreneurship has a strong impact on women's empowerment and employment and therefore plays a vital role in social development and transformation. According to the UNESCO³¹ definition, social transformation encompasses changes in societal parameters including economic and cultural factors. Women-owned businesses contribute to these changes in different ways. In terms of economics, by establishing their businesses and entering the formal economy women not only contribute to revenue generation in the country, but also create employment, especially for other women who may otherwise not have the option to be employed. By entering non-traditional businesses, they have increased professional choices for women. For example Rona, the first female gym owner in Kabul, whose profession caused her daughter to be divorced,

³¹ UNESCO. (2014). Learning to live together, Social transformation. Retrieved on March 30, 2015 from <http://www.unesco.org/new/en/social-and-human-sciences/themes/international-migration/glossary/social-transformation/>.

said “I suffered a lot, but I opened the way for other women and now there are many women’s gyms.” She explained that being the first woman in this profession, contrary to social norms, she had to receive training from a male coach despite its reputational risks. Today in Kabul, Rona, herself is a coach for those who are new to this field. Similarly women’s businesses in the field of ICT, which was earlier thought to be a male-only profession, have paved the way for other women to enter into this field. Mursal, owner of one of the ICT companies, said,

I have 12 female and only 4 male staff in my office. Before, families didn't even allow their girls to study ICT, thinking of it as a male dominated field and inappropriate for girls. I try my best to recruit women. When girls come for an interview, I try to be in the interview panel and introduce myself to them. This helps a lot. I have noticed that the moment I tell them that I run this office, together with my husband, they become relaxed and consider joining the office.

The presence of female entrepreneurs in non-traditional sectors not only increases female employment, it also supports women economically, because they can earn more than they can in the low-paid and labor intensive jobs in the traditional sectors (Heilman & Chen, 2003).

From a social perspective too, positive changes are evident, especially when it comes to how others view women and their businesses. Although all of these women faced myriad challenges, obstacles, and problems at the outset, they all reported that the situation is slightly different now for them. They all believe that others’ acceptance of women’s entrepreneurship has improved, as has the general perception of women’s capabilities and skills. The majority of the participants believed that their very presence and persistence in their work as well as their diligence and seriousness led to these changes. Indeed women’s visibility in the formal businesses in which they themselves are producers as well as traders is a big social change in a conservative society like

Afghanistan, where women's seclusion has been the norm, and male and female interaction in the market is minimal. A decade ago women could not sell their own products in the market and they were very dependent on the middlemen, usually their male family members. Today, however, female suppliers enter the market themselves. Naseema, from the food-processing sector, described this change,

I have two female marketing officers. At the beginning when they were going to different shops, they faced so many problems. They were harassed. Sometimes they got so disappointed! But I always encouraged them and used to tell them, "Don't allow these silly things stop you from achieving your goal." Now I can see the difference in both, in my colleagues and also in the market. Now the shopkeepers know them and treat them very well.

According to Naseema, the main reason for such a change was the increased presence of women in the market. Her colleagues were not the only female marketers—there were other ladies too who started the same profession, so it became somewhat normal. In Afghanistan, women's presence in the market as buyers, especially when they purchase in bulk, is still not very common; usually men go to the market and make these purchases. Naseema remembers,

It was so challenging to go to the market and purchase large quantities of vegetables and deal with literate shopkeepers who had never seen women before coming to market and buying more than 50kg of vegetables from them. They used to ask us for our phone numbers or say unnecessary words and harass us. They used to call us *turshi ferosh* (pickle seller) and make fun of us. None of us were willing to go there, knowing what we would face there. But now after all this time, we feel comfortable; we know the shopkeepers and they can trust us. If we don't have the money immediately, they still give us what we need and we pay them later. Or if we don't go for some time, they even call us to ask if we need vegetable so they can keep it aside for us. Now when we pass that area, they really respect and greet us.

It could be inferred that the situation changed not only because the shopkeepers got used to women's more frequent presence in the market, but also because the shopkeepers realized they were benefitting from the situation by selling large quantities of their wares to the new entrepreneurs. Here regardless of the gender of the buyers, the

sellers' focus was shifted to their profit and they started to see women as important clients. This was also evident in Zahida's case. At the beginning, she used to go to male investors, trying to convince them to invest in her logistic projects, but after some time, her success in implementing a number of projects changed the situation in her favor,

Earlier I had to go to the investors. Now that they know me and are convinced about my work, they come to me. They want to work with me, because they are illiterate and cannot do the paper work for the projects [on their own].

While some female entrepreneurs were covert in their actions to change the situation in their favor, a smaller number of them took the challenge in a more visible and revolutionary way. They were open in their work to change the situation, especially ascribed gender roles and relations. Zainab, the owner of the restaurant and the drug addiction rehabilitation program, recalled,

I faced so many problems! For the majority of people, what I did was not acceptable and they kept asking me, "Why you are doing it?" My answer was, "Why shouldn't I? Aren't men also human beings who need to be helped?" It is said that it is not possible to change all people. I believe that we don't need to; only if we can change a few, it is good enough. And we need to change ourselves. I brought this change in myself and immediately I noticed that people's views about me changed too. For example in a very conservative society and contrary to the common divide of work between men and women and the way they dress, I dressed almost like men laborers, took a hand cart to the market to buy wood and coal for winter. Many times I fell down but continued, and people looked at me with great surprise. After sometime they got used to it; they came to know that I am treating drug addicts and they started respecting me. I believe that people's conscience makes them respect you if you do good work for humanity, regardless of your appearance or dress.

In Afghanistan almost everything is gendered: the way people dress, the color of their clothes, their tasks, responsibilities, expectations, etc. However, the stories of these women entrepreneurs show that though there are very strict social rules, none of them are written in stone. They can be changed, as the experiences of these women reveal. That change, importantly requires thinking 'outside the box'. Female entrepreneurship has the potential to enable women to imagine other possibilities, especially if there are viable

support mechanisms in financing and policy. The majority of female entrepreneurs believe that their hard work and honesty, as well as the good quality of their services, will help them to be accepted and respected in society.

Many participants highlighted the role of the media in gaining support from the public and contributing to women's status in society. Zainab, whose work has received a lot of attention from the media, said this has not only helped her to gain the support of the community but also changed her family's perception—particularly that of her brother—towards her. She said that her family got severely upset with her when she was divorced the first time, fearing for her future and worrying about how she would survive. Now hearing about her success, her brother expresses appreciation of her, though still not very openly. She also believes that her second husband, whom she loved a lot and who divorced her because of her work, is regretting his actions now, because he sees the community's positive perception of her.

CHAPTER VII

CONCLUSION AND RECOMMENDATIONS

This study investigates the social aspects of female entrepreneurship, capturing the lived experiences of the entrepreneurs and giving them voice. It also explores the contributions of female entrepreneurship to social transformation in terms of economic and cultural practices, particularly in changing ascribed gender roles, regulations and relations. This is in line with the findings of a study of Ghanaian female entrepreneurs who also played a part in shaping the community's perceptions of women, demonstrating women's abilities and their seriousness about work (Dzisi 2008, p. 215).

Female entrepreneurship in the formal economy of Afghanistan is a new phenomenon. In the last fifteen years, a considerable number of women entered business despite facing myriad social, financial, and security problems. Although the economic contributions of female entrepreneurs in Afghanistan is not yet significant, because of the limited size and scope of their enterprises, their work has had considerable impact on social development. They have brought change in ways of thinking about women's role in the home and in the society. They have sown the seeds for women's greater role in the economy as a result in successful women are now being valued. They overcame their internalized oppression, started believing in themselves, and became sources of inspiration for other women. My findings suggest that, particularly in conservative societies like Afghanistan, female entrepreneurship positively impacts women's empowerment and employment and brings about social change. In this section I highlight some of the key findings of this research and offer a number of recommendations that emerge from my analysis of the participants' experiences.

The female Afghan entrepreneurs in this study are a group of women with similar entrepreneurial traits, but different backgrounds—education, marital status, employment history, economic level, and family context. Prevailing gender norms and relations in this conservative and patriarchal society prompts negative views about women’s presence in business. These negatives views, together with the recent economic, social, and political developments in Afghanistan, shape women entrepreneurs’ experiences. These factors contribute to influence women’s motivations for entering business. While a small number of the participants, were pushed into business by economic need and they simply exploited available opportunities before them, most were pulled into business for its noneconomic promise including self-fulfillment, helping others, empowering other women, and challenging gender stereotypes. This research reveals that women’s noneconomic motivations are very important in Afghanistan. Women here are traditionally seen as subordinate, dependent, and less capable than men, and this in turn negatively impacts their status in the family and society. By exploiting current political and economic opportunities, most women in this study have sought to challenge the socially constructed perceptions about them. These perceptions and stereotypes question women’s inability to lead, run a business, and work in certain male dominated sectors. With or without the support of their male family members, the women established their businesses in traditionally male-dominated sectors, entry to which would not have been possible for them otherwise. For example ICT and carpentry are highly male-dominated sectors but women have made their space even in these arenas through entrepreneurship. The majority of these women were working outside the house before becoming entrepreneurs. However, they found entrepreneurship more rewarding and fulfilling, in light of their goals, and it offered them a platform to exercise leadership. Their success in

business helped them to overcome negative perceptions and, to some extent, improved their self-esteem and status in their family and society. It also helped normalize women's presence in business, particularly in the public sphere.

It is interesting that as much as women's presence in business has been resisted by Afghan society, it has its advocates too, due to the flexible nature of business and the private sector, in general. In the private sector, work and its environment can be designed the way the owner wants; it can therefore be appealing to women and their family members as they can maneuver it the way they want. A number of the participants were actually pushed into family businesses by their families, as a way to keep them safe and reduce their interactions with men outside the family. This shows that some people consider entrepreneurship more acceptable than other professions for women, where women's safety can be ensured and their behavior and actions can be controlled. Although can be seen as reinforcing gender boundaries I argue, based on the evidence of this study, that this at the same time expands these boundaries by making ways for women to try new work, which ultimately normalizes women's presence in business. It reduces gender gaps in terms of career choices, empowerment, and employment, and it gives women opportunities to exercise leadership.

In challenging these gendered boundaries and women's associated low status, women entrepreneurs in Afghanistan have faced serious obstacles from negative social perceptions to gender-based discrimination, family opposition, corruption, lack of financial backing, and compromised security. Nonetheless their education, commitment, persistence and, in a number of cases, their family support, as well as their individual survival strategies helped them to overcome these barriers. Family support has been vital, particularly in women's successful entry into non-traditional businesses such as ICT,

carpentry and printing. It has not only helped women gain acceptance in these fields, but also helped them cope with difficult logistics, negative social perceptions, and harassment.

Because women are new in business and their lack of social networks and financial collateral initially makes them seem less credible, the presence of male family members can be essential. The participants are aware of these gendered perceptions and social norms, and they involve male family members as one of their survival strategies. This might be seen in the short term as reinforcing the dependent and subordinate role of women, but in the long term their strategy has proved to be effective. They reduce the odds of being opposed by their families and communities. Once women establish themselves and prove their capabilities, their families see that they can do the work, manage the business, and protect themselves. Then the role of the male family member diminishes and women can work on their own. For example, Rona's husband pushed her into the family business because he didn't want her to work outside the home in a male dominated environment. After seeing how skillfully she managed, he completely withdrew from this business and put her fully in charge. (At that time, the business was teaching English language and computer literacy.) This facilitated Rona's acceptance by other male staff and students and built her confidence. Now she runs several businesses, including food processing on a larger scale, supported by huge investments, partly financed by an Official Development Assistance (ODA) development project. This illustrates the importance of male support for women-owned business in male-dominated and conservative societies.

In conservative societies, changing the status of women and the conditions under which they live often seems essentially impossible. This research shows, however, that

women themselves were able to change their status by choosing the strategies that suited their conditions the best. One of their main strategies was conforming to prevailing social norms, trying to meet their families' expectations in terms of their reproductive roles at home, and society's expectations in adhering to certain social norms outside. There is a strong emphasis on women's reproductive roles, played at home, while men operate as providers and protectors of the family in public. To change this perception and reduce tension, women try to fulfill the duties of their culturally assigned family roles, while trying at the same time to create space for themselves outside the home. Their hope is to avoid any backlash that could stop them from participating in the public sphere. Although this strategy added immensely to the workload of women, it proved to be effective for most of them because it won acceptance and respect from their family members and from society at large. They all believed that by conforming to some key social norms, they removed one of the biggest obstacles in the way of women's economic and social participation and showed that they are capable of occupying both realms successfully.

The findings of this study suggest that female entrepreneurship is an effective way of involving women in socio-economic development processes, particularly in conservative societies. Its flexible nature allows women to choose the sector, size of business, and staffing of the work environment, reflecting cultural norms to some degree. Some of the women in this study were pushed into entrepreneurship because of its capacity to be arranged in culturally acceptable terms. Furthermore, it gives women the opportunity to grow personally and enhance their capacities and contribute to the development of a society.

Key Findings

Women's entrepreneurship improves their lives in very specific ways. First of all, **it improves women's self-esteem.** Engaging in entrepreneurship demonstrates their strengths and develops their potential. Although most of these women had been working in other organizations, they had never had the feeling of accomplishment; they considered themselves "ordinary employees." Entrepreneurship helped them to see themselves in leading positions, able to achieve their goals. Entrepreneurship allowed them to contribute to society through economic activities, as well as to provide job opportunities, especially for other women. This fulfilled their strongest motivation, which was helping others. Achieving this goal is very important; for them, it defines "success." At the same time these successful women became role models for other women and encouraged them also to believe themselves.

Women's entrepreneurship increases the degree of empowerment and employment for other women. Women's entrepreneurship makes a huge contribution to their empowerment and employment in societies like Afghanistan, where women's economic independence, mobility, employment, and decision-making powers are constrained and controlled by cultural and traditional norms. Because female entrepreneurs are well aware of these norms, they are highly motivated to hire women, build their capacity, and increase their employability. They see employment as a tool for women's empowerment, improving women's "power over" and mobility. The majority of families in Afghanistan don't allow women to work outside the home, or for male bosses, or in male dominated arenas, especially in the private sector. Female entrepreneurs know these cultural challenges and see themselves in a position to help other women, so they create culturally acceptable job opportunities. Right now, it seems that the female

entrepreneurs might get most of the benefits, because they are owners, while the women who work for them may not yet be earning equitable wages. However, the very fact they are working and earning money can make a huge impact on their status in the family, making them less dependent and increasing their mobility.

Women's businesses often address women's previously unmet needs. The choice of the type of the business for the majority of the participants was very strategic and need-based. They identified and considered the sectors where new enterprises would address women's needs. For example, two participants explained the reason for choosing to open gyms for women was to provide a place for women to exercise, knowing that women didn't have any place to go, as men did. Similarly another participant explained that she opened a women's legal aid firm because men dominate the judicial system in Afghanistan and there is a shortage of female lawyers and prosecutors. Often in male dominated societies, the state and private sector are run mostly by men and fail to address women's needs; female entrepreneurs can make a huge difference. Their social entrepreneurship is very much cause-driven. It effectively promotes social development; social entrepreneurs are considered change agents and role models. They can play an important role in shaping the society.

Women's entrepreneurship brings social change. First, by entering non-traditional sectors, women entrepreneurs widen the span of career choices for women. Second, their presence normalizes women's engagement in business and the formal economy, which has previously been largely forbidden. Third and most importantly, women's entrepreneurship positively impacts women's status, thus shifting power dynamics in the family and increasing women's involvement in decision-making and access to and control over resources.

In sum, the findings of this research suggest that female entrepreneurship could be one of the most effective ways of involving women in social and economic development processes. Women everywhere hold up “half the sky,” (Kristof & Wudunn, 2010) and therefore their meaningful participation in the development of a country is crucial. Based on its promise and contributions, female entrepreneurship should be promoted, and the momentum that has already been created should be maintained and enhanced. Through entrepreneurship, women can address their own issues and bring sustainable change from within Afghan society.

However, bringing more women into business without addressing the systemic barriers would not provide a comprehensive or lasting solution to the constraints on women’s contributions. Calas et al. (2009, p. 556) suggest, “Lasting opportunities for women in entrepreneurship must emerge from social structural reforms to eliminate discrimination.” They caution that “bringing more women into entrepreneurship without examining other premises for conducting these activities, including giving priority to financial issues, can create further barriers to reform” (p. 556). Interviews with entrepreneurs, officials, and policy makers for this study provide the foundation for recommendations that could begin to dismantle barriers to reform.

Recommendations Particular to Afghanistan

Inequities in resources and access have long given Afghan men the upper hand in every competitive enterprise. Men have networks that expedite their access to projects. In some cases, the criteria to determine whether a firm is eligible to bid on projects (for example, its capacity and size) are set too high, limiting bidding to male-owned firms. The criteria do not consider the social, economic, and traditional barriers that impede the growth of

women-owned business. Corruption is another most serious barriers for women. Most of the participants mentioned that due to corruption, they are not able to win projects or even to bid; some maintained that they would never bid in a situation tainted by corruption. Men are able to use their networks to get around or through this challenge. To ensure equity, governmental and nongovernmental organizations should consider affirmative action for women-owned businesses and take the following affirmative actions for women-owned businesses.

- a) Institute a quota system, particularly in government contracts, giving at least 20% to women-owned businesses.
- b) While evaluating proposals and awarding contracts, give priority towards women-owned businesses.
- c) Increase transparency in the entire award process, so that women have the opportunity to master the operational rules and increase the odds of succeeding.
- d) In light of traditional practices that leave women without collateral, the government should develop policies and encourage banks to lower the criteria for applying for loans and offer women long-term loans. Many participants mentioned lack of financial resources as a serious barrier to their business growth.

Secondly, as women are new and inexperienced in business and are highly challenged by social and economic constraints as well as lack of functional business networks, they need external assistance. Establishing business incubators and forums would help them at the start-up level by giving them logistical and technical support. It would also promote sharing experience and knowledge among women and building the kinds of social capital that men have. Establishment of such incubators would also help recognition of women in business. There are already some initiatives in this area,

but they need to be improved further. In 2013, the International Center for Women's Economic Empowerment was established at the American University in Kabul. However, due to security concerns, it is not easily accessible and for some entrepreneurs, its high fees put its services out of reach.

As women's economic participation in the public sphere remains largely taboo, particularly in rural areas where a majority of people live, a large-scale campaign to raise awareness about the importance and contributions of women's participation in all spheres of life is needed. Afghanistan is a religious society, so the campaign could address the issue from an Islamic point of view and highlight the acceptance of women in business in Islam, citing the example of the Prophet's wife Khadija (r.a). In addition to the media, religious leaders, civil society activists, prominent public figures, and successful female entrepreneurs should be involved in this campaign. The more they talk about it, the more normal it gets. Furthermore, as family support plays an important role in women's success in business, the campaign should encourage male support by showcasing stories of successful enterprises launched with help from men in a family.

Women have started businesses in non-traditional service sectors such as ICT, carpentry, food production and law. My observation is that women in these arenas are doing better economically and socially. These new fields also provide better opportunities for them to be involved in the value chain from production to market. In traditional arenas like carpet weaving or agriculture, women are only producers and men do the rest of the work in the value chain. Since these sectors are well established and the work has always been organized like that, it is difficult for women to have an increased role in these sectors. In contrast, in new and non-traditional sectors, women have better opportunities for authority and advancement. Therefore, the state and development

projects should encourage and support women-owned businesses in non-traditional sectors and facilitate their entry in these sectors.

This research reveals that women have different approaches to changing their conditions and achieving their goals—and all of my respondents succeeded. Because women know their situations better than anybody else, it is important to involve them in designing programs and projects that capture their insights, and to put them in charge of such projects and programs, instead of designing programs for them from the outside—programs that might not even work for them. Organizations and development agencies should provide women with resources that include training and exposure that allow women to learn different ways, but let them decide what works better for them. They should be given the ingredients, but not required to follow a recipe.

Future Research

Considering the importance of female entrepreneurship in the economic and social development of Afghanistan, this topic is seriously understudied. Further research is required to learn more about the nature of women-owned businesses in Afghanistan and the role they play in the socio-economic development of the country. As this research was limited to Kabul women entrepreneurs, I would suggest that future research focus more on outlying areas and capture their lived experiences to better inform policy makers. Since the scope of this research was limited to female entrepreneurs, it would be interesting to learn about the employees in women-owned businesses, particularly female producers, and how it impacts their empowerment.

The findings of this research are highly encouraging, particularly in terms of female entrepreneurship's contributions to social change and its positive impact on women's empowerment. These findings inspire me and make me hopeful not only for a

better future for Afghan women, but also for a brighter future for the country. Through entrepreneurial activities women, who constitute half of the population, could viably participate in the social and economic development of Afghanistan. These women entrepreneurs have great potential for growth and bringing new dynamics to the business environment in Afghanistan. They are not typically involved in corruption, because their aim is not only earning a profit but also addressing social issues through business.

My hope is that the state and development partners realize the promises of female entrepreneurship. They should not spare any investment in fostering women's entrepreneurship and facilitating women's entry in this field, and ensuring their success by finding them markets. As an initial step, I hope to see the World Bank-funded projects for private sector development support women entrepreneurs' initiatives on networking and advocacy. As discussed in Chapter 5, LEAD is one such initiative through which women can come together, learn from each other, and with one voice influence policies and make them gender-sensitive.

The achievements of women-owned businesses up to this time demonstrates that women have the motivation, determination, and vision to make important contributions to Afghanistan's economy and social progress. With appropriate support and equitable access to opportunities, their enterprises can soon gain parity with those run by men. By creating jobs and generating revenues, women will help build a strong, healthy, and independent Afghanistan.

APPENDIX A

LIST OF PARTICIPANTS, THEIR AGE AND TYPE OF BUSINESSES

1	Husna	26-35	Printing, Web designing
2	Mahgul	26-35	Handicraft and tailoring/production
3	Ruqia	>46	Handicraft
4	Rona	36-45	Food processing, Education, Gym, Tailoring
5	Feroza	<25	Shop (women accessories)
6	Zahida	26-35	Logistic firm
7	Yasamin	26-35	Design engineering firm
8	Mahjan	36-45	Legal aid firm, School
9	Naseema	26-35	Food processing
10	Zakira	36-45	Gym
11	Mursal	<25	ITC
12	Zahra	25-36	Carpentry
13	Hawa	25-36	Beauty parlor
14	Zainab	25-36	Restaurant, Rehabilitation center
15	Waheeda	36-45	ICT
16	Zoya	36-45	Women shelter
17	Rahima	>46	Women's association (diff businesses)
18	Mahtab	>46	Pickle making
19	Malalai	>46	Leather handicraft and ball making

APPENDIX B

SUMMARY OF PERSONAL AND BUSINESS CHARACTERISTICS OF
THE PARTICIPANTS

Age groups	<25	21%
	26-35	42%
	36-45	26%
	>46	21%
Marital Status	Single	21%
	Married	53%
	Divorced/widow	26%
Having kids	Yes	78% (30% of them have younger kids 2-5 years old)
Education	Master's	27%
	Bachelor	58%
	High school	15%
No. of years in business	Minimum 2yrs and maximum 30yrs	
Sectors in which they operate	Food processing, ICT, Beauty Parlor, Gym, Design Engineering, Logistic, Printing, Carpentry, Restaurant, Handicraft, Tailoring, Legal Aid	
Number of Employees	<5	26%
	6-20	58%
	>20	11%
	5% (Sole proprietorship)	
Living abroad (refugee or immigrant) Iran/Pakistan	91 % of them lived in Iran and/or Pakistan	

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