ECONOMIC DEVELOPMENT IN AFGHANISTAN AND ITS OBTACLES

PETER JABCKE

IF WE DRAW UP A SCALE FOR DEVELOPING COUNTRIES based on per-capita-income. Afghanistan is at the end of this scale. Despite the considerable effort undertaken during the past ten years to strengthen its economic development the economy of Afghanistan remains unchanged. This article deals with the economic situation in Afghanistan today; the reasons which are responsible for its lag in development compared to other developing nations, and with the special obstacles this country faces. make these factors clearer, the reader may consider a general description of Afghanistan.

The Country

Afghanistan is a landlocked country sharing common borders with the USSR, China, Pakistan and Iran.² Its nearest harbor accessible, about 1,000 km. away from the main industrial areas of the country, is in Karachi, Pakistan. Afghanistan is a mountainous country in which 90 per cent of the surface lies more than 600 meters above sea-level and 43 per cent lies even higher than 1,800 meters. Four major rivers cross the country. They are fed by the eternal snow from the mountains whose heights reach up to 7,000 meters. The rivers are mostly unregulated. In spring melted snows from the mountains overflow the rivers, thus flooding their deltas, while in summer they often completely dry up.

Where irrigation is possible, as in river-valleys, in the northern plains and in the middle South-West (around Kandahar) the countryside is green and fertile. In between there are arid and semi-arid zones. Cultivated land surface is estimated to be about 10 per cent of the total arable land and about 10 per cent pasture grounds.3 As the geological survey of the country is not yet finished, it is difficult to estimate the extent of the mineral resources in this mountainous country. Besides iron-ore, natural gas, and hard coal,

¹ Per-capita income in Afghanistan is estimated to be about 75 US\$.

² In regard to Afghanistan's geography see J. Humlum, La géographie de l'Af-

ghanistan. Kopenhagen, 1959.

3 E. Rhein and A.G. Ghaussy, Die Wirtschaftliche Entwicklung Afghanistans 1880-1965, Opladen, 1966, p. 10.

gold 4, silver, chromium, zinc, lead, rubies, and lapis lazuli have been discovered. But their commercial quantity is still uncertain to guarantee worthwhile exploitation. Estimates of the population of this country of 650,000 square-kilometers vary between 8.5 and 15 million. The UN estimate is 13.8 million 5, including about 2 million nomads. Only 9.3 per cent of the population are living in places with more than 10,000 inhabitants.6 The four biggest cities are Kabul, the capital of the country, Kandahar, Herat, and Mazar-i-Sharif. Depending on the ecological conditions of the country, the density of population varies from area to area. In the more fertile eastern part there are about 40 men per square-kilometer in contrast to about 15 on the average. The population is far from homogeneous either ethnologically or linguistically, and people vary to some extent in religious beliefs. Ethnologically three groups are to be differentiated: Iranians (Pushtuns and Tajiks), Turkmongols (Uzbeks, Hazaras, Turkomans), and Indians (Nuristanis, Sikhs, Hindus, etc.).7 The Pushtuns are by far the most numerous, constituting more than 50 per cent of the total population. The second biggest group are the Tajiks. The common language is Persian, or Farsi (Dari) as it is called there. But the official language is Pushtun. Pushtuns are numerically and politically the most influential group. Most of the people believe in the Sunnite of Islam. Only the Hazaras and great parts of the Tajiks are adherents of the Shi'a sect. 8

To complete the picture, we may glance at the country's history. Until modern times it has been a transit-country, was invaded, and found its form as a state of Afghan only in the eighteenth century.9 Along with foreign rulers the religions were changed, till in the seventh century A.D. the whole country was converted to Islam by the invading Arabs. None of the waves of conquest, which flooded the country during the course of the centuries, damaged it as much as that of the Mongols. In the thirteenth century it was heavily devastated by Genghis Khan and in the fourteenth century by Tamerlane. Thoroughly planned and executed irrigation systems, which had turned the arid land into a fertile garden, were completely destroyed, and the beginnings of agriculture on a higher level of culture were nipped in the bud.

⁴ Frankfurter Allgemeine Zeitung vom 28.12.1966.

⁵ UN Statistical Yearbook 1961, New York, 1962, p. 112.

⁶ E. Rhein and A.G. Ghaussy, op.cit., p. 14.

⁷ Max Klimburg, Afghanistan. Das Land im historischen Spannungsfeld Mittelasiens. Bd. 4/Or., Orient-Okzident-Reihe der Osterreichischen UNESCO-Kommission, Wien, 1966, p. 106. ⁸ Ibid., p 106-107. .

In regard to Afghan history see Donald N. Wilber, Afghanistan, Its People, Its Society Its Culture, New Haven, 1962; and W.K. Fraser-Tytler, Afghanistan, A Study of Political Developments in Central and Southern Asia, London, New York, Toronto, Second Edition, 1962; and Max Klimburg, op. cit.

After the first half of the eighteenth century something like a national state existed. The Monguls ruling at Delhi and the Persians in the west had weakened in their long fights over territorial claims in Afghanistan so that the Pushtuns, living in the east and the south, saw their chance to extend west. In 1747 the first Afghan nation was *founded* in Kandahar. Tribal affairs and quarrels over succession to the throne made it impossible even now for the country to become quiet. The only succession to the throne which took place without friction was that of Zahir Shah whose father, Nadir Shah, was assassinated in 1933.

Afghanistan has never been a colony of a foreign power. In two wars the British tried to bring it under their rule, in order to have better control of their Indian "north-west-frontier." But the fierce and war-like attitude of the Afghans, in the main the Pushtuns, prevented any lasting occupation. Only in respect to their foreign relations were the Afghans forced to accept a form of British regimentation. The consequence of this was that the country's borders were fixed in negotiations between the British and Afghanistan's neighboring countries. Only the infamous south-eastern border (the north-west-frontier of British India) was agreed upon directly between the British and the Afghans. In 1919, after a third war against the British in which the latter were militarily successful, King Amanullah gained in the negotiations that followed the full sovereignty of his country as well as in the field of foreign policy.

Today Afghanistan's foreign policy is distinguished by strict neutrality. Its relation with the eastern and the western blocs are as good as those with the countries of the so-called third world. In spite of extensive economic and technical aid from both political blocs, Afghanistan succumbed neither to the pressure of the USA nor that of the USSR to commit itself to a closer liaison with either. Only with neighboring Pakistan was there some trouble in the recent past which was made worse by its position as a landlocked country. But at least at the moment these differences can be considered as temporarily settled.

Social and Political Structure

Afghanistan is an agrarian country. This fact is of vital importance for its social, political, and economic structures. It was already mentioned that only 9.3 per cent of the population are living in places with more than 10,000 inhabitants. Of the working population 75.5 per cent draw their income from agriculture.¹⁰ In this predominantly agrarian society life runs according to traditional patterns.

¹⁰ Survey of Progress, 1964-65, Ministry of Planning, Department of Statistics & Research, August 1965, p. 13. Against this see: E. Rhein and A.G. Ghaussy, op. cit., which gives the percentage as 85%.

Society in Afghanistan can be regarded as individualistic in the sense that the individualism is related to the family as the lowest unit of society. In the family as well as in the next greater units the social order is determined by severe patriarchal patterns. Of course this traditional behavior influences the economic mentality. "The single person adopts the habits of life, the technic of work and the views of his parents without being allowed to criticize them." IP Beyond any question, this is the consequence of the strict observance of the Islamic dogmas. To possess material goods is not a virtue, but rather to be wise, pious, bold and just, to grant hospitality and to have a great number of intelligent sons are considered desirable.

The same picture is shown if one tries to set up a scale of professions according to their social prestige. The mullahs have the highest reputation, and only after them come the big landowners or tribal leaders. The scale continues with free peasants, tenants, artisans, and small merchants. At the end of the scale are the discriminated members of society, the blacksmiths and barbers. This fixed social structure where the beginning of a vertical mobility is to be noticed only in single cases runs throughout the country. Only in Kabul, which is the real center of the country, are there already great changes to be noticed. But by no means is this fact astonishing when one keeps in mind the low standard of education. About 90 per cent of the population are still illiterates. Even in the bigger towns it is estimated that not more than about 20 per cent of the population can read and write. In spite of great efforts of the government to modernize education in the country the Koran-school still prevails.

The political structure is also largely influenced by the above-mentioned social order and by the low standard of education. "For a simple man it seems [that he is] to be excluded to take over political responsibility, [and that] he is not even in a position to imagine the tasks of a politician." In rural areas the political power is still held today mainly by tribal leaders who in general give their subleaders participation in decision making. But it seems that the political interest does not reach beyond the problems of the individual region.¹⁷

¹¹ Donald N. Wilber op. cit., p. 3.

¹² E Rhein and A.G. Ghaussy, op. cit., p. 15.

¹⁸ Thid

¹⁴ Karl Otto Hondrich, "Verfassungsentwicklung, politische Stabilität und sozialer Wardel. Die Modernisierung des traditionellen politischen Systems in Afghanistan," Verfassung und Verfassungswirklichkeit, Jahrbuch, Jahrgang 1966, Köln und Opladen, 1967. p. 208.

¹⁵ E. Rhein and A.G. Ghaussy, op. cit., p. 15.

¹⁶ Karl Otto Hondrich, Die Leute im Norden Afghanistans. Mentalität und wirtschaftliche Entwicklung, Schmollers Jahrbuch für Gesetzgebung, Verwaltung und Volkswirtschaft, Bd. 85, I, Berlin, 1965, pp. 199-222.

¹⁷ Ibid.

This attitude explains the fact that till today there was no pressure that forced the social and political structure to be changed. In Afghanistan the development in all spheres of life had been introduced from above. The first serious attempts were undertaken by King Amanullah (1919-1928). These efforts were, however, made too drastically. The pressure of the conservatives—in main the mullahs—was great, and as an indirect consequence King Amanullah in 1928 lost his throne and went into exile.18 Under the rule of Nadir Shah, the father of the present king, the country got its first written constitution (1932). Nadir learned from the lesson of his predecessor and undertook modernization very cautiously. Because of this, the new constitution was so framed that there were no major drives towards modernization and dynamism of the country and its population. The executives were authorized by the king, while jurisdiction was still ruled by the sharia (law resulting from the Koran's exegesis). The work of parliament and senate, which were partly elected free and partly nominated by the king, consisted in the main in approving the laws which were passed by the king and the government. Real influence on what happened had only the lova jirga, for in this assembly besides the members of parliament and senate there were primarily the landowners and tribal leaders. 19 But this loya jirga only assembled in case of really important state affairs (e.g. throne change, constitutional questions, etc.). That the activity of the loya jirga was not really of progressive nature is quite clear if one considers the already-mentioned mentality of the nobles in the provinces.

In 1964 the country was given a new constitution. In this new constitution the form of the state was called constitutional monarchy. The members of the royal family are now excluded from any participation in executive, legislative, and jurisdictive functions. Freedom of expression of opinion was granted, and the constitution of political parties was allowed. Parliament and senate shall be elected by free, general, secret, and direct ballots. A secular and independent jurisdiction shall create the frame of security that is condition sine qua non for each development; and as a precondition for this, the codification of the law is underway. Though all forward-minded forces of the country took part in this important reform work, it cannot be said that the change was started by pressure from below. Without any doubt the king himself had decided to give his country this new constitution and he too determined the moment of adoption. By the right to choose the Premier himself the king has saved for himself an important source of influence.

¹⁸ See Donald N. Wilber, op. cit., W.K. Fraser-Tytler, op. cit.; and Max Klimburg op. cit.

¹⁹ Max Klimburg, op. cit., p. 179.

²⁰ Ibid., p. 95.

The Economic Situation of Afghanistan

As in nearly all countries undergoing development, Afghanistan lacks a statistical survey of the country. Since the size of the population is not certain and the gross national product is only roughly estimated, all statements on the general economic situation are really meaningless. It is sufficient to notice that the per-capita-income probably is about 75 US\$ and that more than 77 per cent of the whole population are in the agricultural sector as already mentioned. Compared to this there are only 3.2 per cent said to be industrial workers, which include also those working in the construction sector, geological survey, and the transport and communication sectors. In 1964 there were only 20,000 employed in direct industrial occupations.²¹

Related to this the value added in the single economic sector is estimated as follows: agriculture, 70 per cent; service sector, 18 per cent; handicraft production, 10 per cent; and mining, 2 per cent. The share of industry in the sense of the word is estimated to be 3 per cent.²² All statements of the income utilization are contradictory. It is estimated that the quota of investment during the last years was more than 10 per cent of the gross national But these investments were financed two third from abroad.23 The volume of the Afghan budget had a rapid growth during the past twenty years.²⁴ Expenditure increased more than twentyfold, from 400 million up to 8.7 billion Afghanis. Compared to this, the growth of income was only tenfold from 319 million up to 3.8 billion Afghanis. This means that today the deficit is bigger than the whole government income. The gap is filled by foreign aid and deficit financing. The small state income is the consequence of a tax system that is on the one hand by no means adapted to the development efforts of the country and on the other hand is due to a completely inefficient method of levying taxes. Until now customs duties and indirect taxes sum up to more than 50 per cent of the whole state revenue.25 The deficit financing led to an increase in prices, mainly after 1963/64, for the supply of goods in the country could not keep up at the same measure. At the same time, the free market exchange quotation of the Afghani fell in exchange to the US dollar as the deficit financing naturally created new income. This appeared in the market as a demand for import goods.²⁶

There exists no official Afghan wage statistic at all. It can be taken as a fact that at least in the country the wage payment is made mainly by natural products. In 1962 the monthly salary of a state minister was said

²¹ Ministry of Planning, Department of Statistics & Research, Survey of Progress 1692-64, Kabul/Afghanistan, August 1964, p. 28. ²² These data are taken from a private report.

²⁸ E. Rhein and A.G. Ghaussy, op. cit., p. 165.

²⁴ Ibid. p. 158. ²⁵ Ibid., p. 161.

²⁶ Ibid., p. 155.

to have been about US\$ 50. Questioning the students of a middle-management-school about the income level of different professional branches, typically the profession of industrial worker, was not quoted at all. The students were able to give information on the income of porters, servants, merchants, artisans, medical doctors, etc., but they had no idea at all about the incomelevel of industrial workers.

The portion of government expenditure for economic development increased steadily during the concluded two five-year-plans. From 1957-58 to 1964-65, increase in expenditure was nearly fourfold and amounted to more than 60 per cent of the whole government expenditure.27 Private investment in both plants was negligibly small, a fact that is to be traced back to a wave of turning private estates into state property even before the beginning of the first plan. Since the main part of the investment during the operation of both plans went into the traffic and communications sector, the increase in production in the other sectors was relatively small. During the operation of the first plan 50 per cent of the development expenditure went into infrastructure projects, 26 per cent into industrialization, 12.6 per cent into agriculture, and only 6 per cent into education.²⁸ This was slightly changed in the second plan where the distribution was as follows: transport and communication projects, 35.5 per cent; industries and mining, 34.7 per cent; agriculture and irrigation, 17.6 per cent; education and other projects, 13.6 per cent.28

Whether the preferential treatment of the infrastructure in this proportion was right is difficult to judge. At least it is to be considered that Afghanistan is a landlocked country without navigable rivers and without a railway system. Whether the traffic in a foreseeable time will develop to a density for which the constructed roads were built seems to be dubious. The profit of these huge investments in infrastructure depends only on the extent and pace of the related productive investments.

The Afghan agricultural sector is by far a subsistence economy. Only products that need further treatment like karakul furs, wool, cotton, oilseed, sugar beet, and fruit go into the market.³⁰ Agricultural products which are the main victuals of the population, like wheat, maize, barley, rice and vegetables, only appear in the market in the urban areas.

About 40 per cent of the Afghan export today still consists of products of cattle breeding.31 In main they are karakul furs, wool (as carpets), and skins. Besides sheep and goats, which add up to about 80 per cent of the whole number of livestock, there are donkeys, horses, cows and camels.

²⁷ Ibid., p. 159.

²⁸ Ibid., p. 29.
²⁹ The Kabul Times Annual 1967, The Kabul Times Publishing Agency, 1967, p. 70. 30 E. Rhein and A.G. Ghaussy, op. cit., p. 39.

³¹ Ibid., p. 49.

During the first two plans neither the agriculture nor the cattle breeding were sufficiently promoted in relation to their economic importance. Since the provided financial resources at most were used for cultivation of new land, it is not surprising that the productivity in the agricultural sector was not increased very much. Especially in one case, the Hilmand Valley Project, it is openly admitted as a failure. Moreover, precisely for the Hilmand project were larger resources provided during both plans than for all other agricultural projects taken together. Therefore during the period 1956-1964 only for a few agricultural products was the increase in production more than 20 per cent.³²

Until now no major effort has been undertaken for the improvement of cattle-breeding in spite of its great importance for export. It is evident that, with the existing low standard of education and the traditional patterns of behavior in the country, all measures aimed at the increase of production are extraordinarily difficult to realize. But far more difficult are the eventual revision of the existing land-lease and the execution of land reform. Things like these are not heard of in Afghanistan at the moment.

Only 20,000 industrial workers are working in 72 plants,³³ while 14 textile factories employ more than 50 per cent of all industrial workers. The rest are divided in nutrition, car repairing, coal mining, construction, electricity, and some others. The difficulty in the process of industrialization in Afghanistan is to be seen in the instance of a fruit and juice canning factory in Kandahar, which was established some years back with foreign assistance. At the given low Afghan wage standard the products were too expensive for the home market. Export of the goods did not succeed for the Afghans had had no experience at all in the field of export, and the government had no export promotion to help this young industry. The factory could not even sell the production of the first season and production was stopped.

In the course of history Afghanistan has played a not unimportant role as transit country. This position was lost because the traffic conditions in the country were too bad.

Up to the beginning of the first five year plan, Afghanistan's balance of trade—though in all very small—was positive. The export products were and still are raw cotton, dried fruit, karakul furs, and carpets.³⁴ But the Afghans did not succeed in increasing their export in the same amount as their imports increased in consequence of the development policy. In 1963-64 total export was US\$ 69 million compared to an import of US\$ 125.7 million.³⁵ The main partners of Afghanistan's foreign trade today are USSR, USA,

35 Ibid., p. 101.

³² Ibid., p. 199.

³³ Survey of Progress 1962-64, op. cit., p. 28. ³⁴ E Rhein and A.G. Ghaussy, op. cit., p. 102.

and India.36 As in any other underdeveloped country, the expansion of foreign trade will be of striking importance for further economic growth in Afghanistan. Whether it shall be preferable to promote export or to emphasize import-substitution shall be discussed later on.

Meanwhile, a glance at the educational standard in Afghanistan is in order for it is of fundamental importance to a country like this. Official reports are impressive. At the beginning of the first plan 1956-57 there were 800 schools with 4,000 teachers and 126,000 pupils. At the end of the second plan 1963-64 there were 1,860 schools, with 7,615 teachers and about 250,000 pupils.³⁷ Compared to an estimated population of 13.8 million only 2 per cent of the total population attend school. Teacher training is imperfect. Furthermore, it is difficult to find teachers for the village schools, for the living conditions in the countryside naturally are bad and the social prestige of teachers is not very high. The government tries to improve the situation by increasing the salaries and arranging "teacher's day" and teacher training courses during vacation.

The country has two universities. The university of the capital, Kabul, has all faculties. The other university at Diallabad was founded only recently and at the moment consists only of a faculty of medicine. The number of students is about 3,300.38 In the economics faculty, the students after four years of study get a degree that in international standard is equal to the Bachelor of Arts (BA). In cooperation with universities of industrialized countries Afghanistan tries to increase the scientific level of the universities.

Obstacles to the Economic Development in Afghanistan

No doubt, in terms of its economic development Afghanistan has not reached as far as its neighboring countries. This is the consequence of several factors, some of which are closely related. Namely: impending factors on account of the natural resources of the country; factors resulting from the development policy practiced up to now; and—not least the main reason for the low standard of economic development—the late start of a conscious development policy. This is due to a social structure that is more static in Afghanistan than in other countries undergoing development.

The Natural Obstacles

The mountainous surface of the country certainly hinders the increase in the agricultural production far more than, for instance, in India or Pakistan. The margin of production could be increased by improved technics of

³⁶ Ibid., p. 204. 37 Ernst Reiner, "Neuere statistische Angaben zu Afghanistan," Petermanss geographische Mitteilungen, Heft 4, 1966, Gotha 1966, p. 306. 38 The Kabul Times Publishing Agency, op. cit., p. 40.

agriculture, the use of fertilizers, or a better kind of cattle-breeding, but these are of course far from being accomplished in Afghanistan. The extension of cultivable land is strongly limited by the topography. The failures in the execution of the Hilmand Valley Project show impressively what problems can arise.

With regard to the natural resources it is said that "sufficient resources and energy are available for the establishment of a home industry as well as for export chances in the mining industry." ³⁹ Indeed in the search for oil, gas was found and is delivered today to the USSR. But it is not considered at all for local consumption. The simultaneous development of the natural resources and the establishment of a related home industry may well exceed the Afghan capital potentiality for a number of years, even if there would be broad-minded aid from other countries. The chances for the export of mining products do not seem to be especially favorable for the geographic position of Afghanistan places it at a disadvantage.

Regarding its position as a landlocked country, it is believed that this will have still stronger effects in the future, for the exchange with the world markets will further grow. Since planes and lorries are the biggest transportation units, the cost structure will always be burdened by the transportation cost and the ability to compete in the export markets will be reduced. The extension of the road net and the air lines and airports can bring no fundamental change.

The Development Policy

For more than two five-year-plans, most of the investment went into the infrastructure sector. For some time the extremely high part played by not directly productive investments has been unpleasantly felt in the rising cost of living. If stronger inflationary trends in the future are to be avoided, more attention must be paid to directly productive investment. Famine which is widespread in India is not known in Afghanistan. But in spite of this, the rising imports of wheat show that the country's provision of foodstuffs is no longer sufficient. To keep this situation from getting worse, the future policy of investment must be aimed at increasing the agricultural production. Should this aim be gained in the recent future, which seems to be urgently necessary, it would be advisable to drop costly projects of land cultivation. The use of fertilizers, improvement of the seeds, and modern methods in cattle-breeding and utilization certainly allow faster increased output in the agricultural sector.

In the field of industrialization the situation seems to be similar. Investments for new export products, for instance from the mining sector, demand

³⁹ E. Rhein and A. G. Ghaussy, op. cit., p. 12.

an extremely high capital input and have normally long gestation periods till the production can be started. A comparable low capital input is only necessary to improve the quality of the traditional export products, so that they would be more competitive in the world market and could gain more profits.40 Beyond this the industrialization of the country should be aimed at import substitution to provide the population better and to lower at the same time foreign trade imbalance. The fact that canned fruits, which were too expensive compared to the low income level, found no demand, does not mean that there are no other products which cannot be produced and sold in the country. Besides victuals there are also textiles, clothing, shoes, and other simple consumer goods like bicycles, lamps, electric heaters, etc.

The Late Start and the Traditional Way of Life

From Afghans it is to be heard that by reason of the similarity of their country to Switzerland, primarily in relation to the natural resources, it would be reasonable to take this country as a model for the Afghan development. Since the major part of Afghanistan's landscape is extraordinarily beautiful and further there are many archaeological spots (most of them are unexcavated) the similarity to Switzerland can be extended to the field of tourism too. But the development of Afghanistan has not yet really started and any similarity with the modern Switzerland is nowhere to be found.

As to the reason for the late start of conscious development of the country it is said that the wars against the British developed in the population hostility towards foreigners. It is affirmed by others that the conservative priesthood consciously agitated a policy of closing the country to hinder the invasion of modern ideas. Which of these reasons are right, cannot be decided here. The fact is that Afghanistan like Nepal and Ethiopia lag far behind other countries undergoing development because of its long, total seclusion from the world.

This fact of being a latecomer is a sufficient obstacle. For example, the market entrance for each new-comer is a far more difficult position than the normal competition for those who are already in the market. But it seems to be more striking that largely because of the long seclusion of the country the social system is completely traditional and hinders the Afghans from creating a positive outlook towards development.

Still today Afghanistan's social structure is equal to the symptoms of a static society as described by Prof. Behrendt.41 The social classes of society are hierarchically organized, supported by religion and tradition. The

⁴⁰ Today skins and hides are exported to the USA semi-processed, for the Afghan

methods of tanning do not satisfy the US standards.

41 Richard F. Behrendt, Soziale Strategie für Entwicklungsländer, Entwurf einer Entwicklungssoziologic, Frankfurt a. Main, 1965, p. 144.

level of income and education depends on social and work status, and not on efficiency. The importance of primary groups (e. g., family, clan, tribe) is stronger than that of the comprehensive social structures and the relations to state or nation are weak. The structure within the primary groups is patriarchal. The subsistence economy can be estimated to be more important than the market economy. The middle-class (moneyed and educated) is unimportant.

Only in three points does the picture of Afghanistan differ from that of static societies. With regard to feudalism, which never completely took over, there exists a relatively strong free peasant class. Beyond this the way of life of Afghan feudal lords is usually so modest that outwardly it differs very little from that of their tenants' or from that of a free peasants'. So there is hardly any cause for social revolt due to feudalism. Also today, after the new constitution, the order of rule cannot be called authoritative or monarchist-absolutistic. Today Afghanistan is a constitutional monarchy. In addition, at least *de jure*, the law is no longer a part of religion and tradition but is secular.

These two last points are to be considered as the transfer to a dynamic society. But, indeed, to force the economic development to go faster the dynamization of all fields of the society is necessary. This readiness for development means that men develop aims of their own (voluntarism), instead of the up to now executed determinism that they demand more of life, and that they change their value-systems and, accordingly, their patterns of life from the traditional ones. If necessary they will have to overstep the bounds of family or tribe and, at least in certain fields of life, they will have to put rationality above belief and tradition.

In weighing the different factors which hinder the economic development of Afghanistan one comes to the conclusion that its structure of society with its negative influence on the readiness for development of the single man is the main obstacle. The unfavorable conditions caused by the geographical position and the natural conditions of the country are not to be ignored, but might be mitigated with technological help. But first it is necessary to gain the ability to use the technique. The obstacle of being a latecomer can be surmounted by doubled efforts. Therefore it is necessary to develop this attitude of readiness towards development.

Apparently in Afghanistan these facts are well known today. More and more during recent years articles of enlightening nature appear in the country's press, which aim to make the population more active in the process of development. Unfortunately today the effect is not very great, because of the low standard of education.

The dangers of the process of dynamization seem to have been recognized too. Not without reason is the development of democracy executed cautiously and slowly. The reforms introduced from above are intended to come before the demands from below. In case social demands are made faster than progress can be made, dangers, of political troubles will arise, a situation that is to be seen in several Near Eastern countries. In such a case economic development would again, and possibly even more, be hindered by those political quarrels.