

3.2. Poverty, basic subsistence and employment

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Afghanistan is one of the poorest countries in the world.812 The World Bank reported that about 48 % of the population lived below the poverty threshold in 2025,813 while the United Nations Development Programme (UNDP) reported on 75 % of the population being ‘subsistence-insecure’.814 A significant portion of the population struggle to cover their basic needs, and have expenses exceeding their income.815 UNDP noted ‘significant deteriorations’ of the population’s ability to afford adequate housing, healthcare, cooking items, food, and winter clothing, driven by economic shocks and reduced humanitarian assistance.816 Households in crisis resorted to negative coping strategies, including taking on debt,817 taking children out of school and engaging them in child labour,818 or marrying off girls.819 More extreme, but still reported, strategies included selling children820 and selling body organs.821

Agriculture is the backbone of the Afghan economy.822 A great share of the population lives in rural areas and depends on farming823 and tending livestock.824 As many households rely on their own production,825 they are vulnerable to climate shocks.826 The agricultural sector was highly affected by persistent droughts in 2021–2023,827 one of the worst drought periods in Afghan history.828 In 2025, another severe drought hit Afghanistan, which mainly impacted farmers relying on springtime rain and tending livestock in the northern provinces of Balkh, Faryab, Jawzjan, Samangan, and Sar-e Pul, and the western provinces of Badghis and Herat. Nevertheless, despite droughts, Afghan wheat production has steadily increased each year since 2022, with the production for 2025 being above the levels in 2020, according to the Food and Agriculture Organization (FAO). This trend was attributed to the use of improved seeds.829 Meanwhile, farmers in areas depending on rainfall and growing crops such as fruit,830 and tending livestock,831 face another year of crisis,832 with drought pushing families across the country to abandon their lands and relocate.833 The opium cultivation ban has also impacted many farmers834 who struggle to find alternative livelihoods.835

Some reports suggest that poverty is more intense in rural areas,836 but the possibility of many households to self-produce generally makes them less vulnerable to changes in workforce demands.837 A multi-authored research article of Biruni Institute suggested that the rural population has adapted over the years and developed diverse coping mechanism to handle economic shocks. The urban population, in contrast, lacked informal insurance mechanisms such as land, food savings, localised co-insurance, and could not rely on any formal insurance

mechanism of a welfare state either, for example unemployment benefits.838 The World Bank also reported on improved security and better market access reducing rural poverty.839

Unemployment is widespread,840 and in urban areas poverty is driven by the lack of job opportunities.841 The urban population rely heavily on the construction sector,842 which 'boomed' in 2024, especially in Kabul, as reported by the World Bank.843 However, the job markets in Afghan cities are over-saturated, with unemployed labourers struggling to secure even low-paid daily-wage jobs.844 There is also a significant gender disparity in accessing economic opportunities,845 in particular for female-headed households.846 The unemployment rate doubled in the period 2020–2023, with women and youth being most affected.847 According to an estimate of the International Labour Organisation (ILO), the unemployment rate in 2024 was 13.3 % of the total labour force.848 However, there is a great discrepancy between men and women, with most men (84 %) having a job in 2024, according to a UNDP household survey, in contrast to 7 % of female household members.849 Another group that is disproportionally affected is the educated youth, according to the World Bank.850

UNDP reported on a decline in salaried work in 2024 and an increase in casual labour and self-employment. According to this source, only 11 % of household income came from salaried employment in 2024, while 40 % derived from casual labour.851 Meanwhile, the most recent Whole of Afghanistan Assessment (WoAA)852 indicated a drop in average household incomes in 2024 from 10 712 AFN to 9 004 AFN (approximately USD 136 to USD 115).853 The private sector has been one of few alternatives for working women,854 but restrictions on gender mixing have been excluding women from many jobs and restricted many to home-based self-employment.855 As a result, small-scale856 women-run businesses have significantly increased.857 However, as noted by the World Bank, increasing self-employment among women 'often reflects survival rather than true entrepreneurship'.858 Female-headed households are facing particularly severe decline in income and expenditure.859

The high number of returnees have intensified job competition,860 which is a key source of tension in some communities.861 As people return from abroad, many families lose their channel for economic support through remittances.862 Compared to host communities, returnees often face more severe economic hardship.863

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