

## The Relationship Between Insecurity, Political Stability and Household Economic Well-Being in Nangarhar Province

Fathullah Mohammadi<sup>1\*</sup>, Lutfullah Azizi<sup>2</sup>, Hakim Uddin Manzany<sup>3</sup> and Said Jawad Sadat<sup>2</sup>

<sup>1</sup>Department of Law, Faculty of Law and Political Science, Tabesh University, Nangarhar

<sup>2</sup>Department of International Relations, Faculty of Law and Political Science, Tabesh University, Nangarhar

<sup>3</sup>Visiting Lecturer, Law and Political Science Faculty, Tabesh University, Nangarhar

\*Corresponding author Email: [muhammadifathullah7@gmail.com](mailto:muhammadifathullah7@gmail.com)

DOI: 10.64505/tijss/v02issue01/0040

### Article Info:

#### Received:

07/05/ 2026

#### Revised:

24/06 / 2026

#### Accepted:

05 /08 2026

#### Published:

20/08 / 2026

### ABSTRACT

This study examines the relationship between political stability, insecurity, and household economic well-being, with particular emphasis on their effects on household income, consumption, savings, and investments in education and health. The study employed a mixed-method approach, and primary data were collected through a Google Forms-based questionnaire from 45 respondents. The questionnaire focused on household income stability, expenditure patterns, debt management, and welfare-related investments under different political conditions. Descriptive statistical analysis was used to interpret the survey responses. The findings indicate that insecurity and political instability are associated with irregular household income, increased expenditure on food and energy, and reduced savings. Respondents also reported reducing expenditure on education and health care during periods of political and security instability. In contrast, households experiencing greater political stability demonstrated stronger financial resilience, more consistent saving practices, and greater willingness to invest in education and health. The findings further indicate that policy uncertainty discourages long-term household financial planning, while political stability is associated with greater economic confidence and predictability. The study concludes that political and security instability can adversely affect household economic well-being by weakening income stability, reducing savings, increasing living costs, and limiting welfare-related investments, thereby increasing households' vulnerability to poverty and inequality. Strengthening governance, reducing insecurity, and ensuring predictable economic and welfare policies are therefore important for improving household economic security and resilience.

**KEYWORDS:** Insecurity, Political Stability, Household Economy, Income Instability

---

## 1. INTRODUCTION

Insecurity and political stability are important determinants of household economic well-being, particularly in developing and conflict-affected societies. Political stability creates a more predictable environment for economic activities, employment, investment, market participation, and access to public services, whereas insecurity arising from conflict, violence, crime, and political uncertainty can disrupt household livelihoods and weaken economic resilience. When households face persistent insecurity, their ability to engage in productive activities, maintain a stable income, accumulate savings, and invest in long-term welfare may be constrained. Recent empirical evidence shows that political instability can alter household resource allocation by increasing consumption needs while reducing financial savings and investments in education, health, and durable assets (Büttner et al., 2022). Similarly, policy uncertainty can influence household saving and consumption decisions by increasing uncertainty about future economic conditions (Do et al., 2023).

The consequences of insecurity extend beyond immediate income losses because conflict can disrupt markets, employment opportunities, mobility, and access to essential goods and services. Evidence from Ethiopia demonstrates that armed conflict significantly reduced household access to food and non-farm livelihood opportunities, while increasing the probability of moderate to severe food insecurity (Away et al., 2023). Conflict may also generate longer-term consequences for human capital. Recent evidence from Nigeria and Sri Lanka indicates that exposure to armed conflict can negatively affect educational attainment and schooling outcomes, particularly when households experience direct violence, displacement, or property destruction (Unfried & Kis-Katos, 2024; Yamada et al., 2024). In the health sector, violent conflict may reduce healthcare utilization by increasing fear, weakening trust, and restricting access to health services, thereby creating adverse consequences for household welfare (Schaub, 2024). These findings suggest that insecurity should not be considered only a security problem; rather, it represents a multidimensional socioeconomic challenge that can affect household income, consumption, human capital, health, and future economic opportunities.

The relationship between political conditions and household welfare is particularly important in Afghanistan, where households have experienced prolonged conflict, political changes, economic uncertainty, displacement, and disruptions to livelihoods. Recent research provides evidence that political and socioeconomic changes have had substantial implications for Afghan household welfare. Saif-Nijat et al. (2023), for example, found a substantial deterioration in household food security and quality of life following the political transition in Afghanistan. Their findings indicate that changes in the political environment were associated with deterioration across several dimensions of household quality of life, including physical, psychological, environmental, and

---

financial conditions. Similarly, research in rural Afghanistan shows that household food insecurity is strongly associated with income, household characteristics, and livelihood opportunities, highlighting the importance of stable income-generating activities for household welfare (Akbar et al., 2023). Recent evidence further indicates that household livelihood strategies can influence the ability of Afghan families to withstand conflict-related shocks. Ahmadzai and Morrissey (2025) found that crop diversification improved household consumption, food expenditure, and dietary diversity in Afghanistan, although the benefits were reduced among households exposed to greater levels of violence.

Political instability can also affect the distribution of economic resources and the capacity of governments to provide effective public services. Empirical evidence indicates that politically unstable economies tend to have weaker redistribution of income, which may increase economic vulnerability among disadvantaged households (Tavares, 2022). At the household level, uncertainty can alter financial behavior and reduce the willingness to make long-term investments. Büttner et al. (2022) demonstrated that political instability in Burkina Faso was associated with lower financial savings and reduced investments in housing, education, and health, while households redirected resources toward immediate consumption needs. In developing countries, the relationship between household consumption stability and institutional conditions is also influenced by the quality of political and democratic institutions (Compaoré & Sawadogo, 2025). These findings emphasize that household economic resilience depends not only on household-level resources but also on the broader political and institutional environment.

The Afghan context makes this issue particularly significant because political and economic uncertainty can simultaneously affect employment, household income, food security, education, healthcare, and access to markets. Research on Afghanistan has also shown that restrictions and socioeconomic changes can impose financial pressures on households and affect livelihood opportunities (Economic constraints and gendered rules, 2024). Moreover, conflict-related conditions can undermine educational access, although community-level social capital and security-related community behavior may contribute to educational resilience in conflict-affected areas (Leveraging social capital for educational resilience in conflict, 2024). These findings indicate that households may adopt different coping strategies, including reducing consumption, using savings, borrowing, changing employment activities, migrating, participating in informal economic activities, or relying on assistance and remittances. While such strategies may help households manage short-term shocks, they can also reduce their capacity to invest in education, health, productive assets, and other forms of long-term welfare.

Despite the growing literature on conflict, political instability, and socioeconomic welfare, there remains a need for household-level evidence that simultaneously considers income stability, consumption, savings, debt management, and investments in education and health. Much of the existing research focuses on individual dimensions such as food security, education, health, or macroeconomic performance, while fewer studies examine how different dimensions of political stability and insecurity jointly shape household economic well-being. This gap is particularly relevant in Afghanistan, where political and security conditions have undergone substantial changes and where household-level economic resilience remains an important concern. Therefore, this study examines the impact of insecurity and political stability on household economic well-being, focusing on income generation, expenditure patterns, savings, debt management, food security, education, healthcare, and household coping mechanisms. The study contributes to the existing literature by providing household-level empirical evidence on how political and security conditions influence economic behavior and welfare decisions. By examining these relationships together, the study seeks to provide a broader understanding of household vulnerability and resilience and to highlight the importance of peace, effective governance, institutional predictability, and stable economic conditions for improving household welfare and supporting sustainable economic development.

### ***1.1 Problem Statement***

Insecurity and political instability remain important challenges affecting the economic well-being of households in Afghanistan. Although existing studies have examined conflict, food insecurity, poverty, governance, and broader economic conditions, comparatively less attention has been given to how insecurity and political stability jointly influence household-level economic activities and decisions. In particular, households may experience insecurity through reduced employment opportunities, disruption of small-business activities, reduced investment, unstable income, and disruption of general economic activities.

Political stability also plays an important role in shaping the economic environment in which households operate. Stable political and institutional conditions can contribute to greater market confidence, investment, employment opportunities, economic growth, and predictable implementation of economic policies. Conversely, uncertainty and instability may discourage investment and long-term economic planning and may increase the vulnerability of households to economic shocks. In Jalalabad City, Nangarhar Province, households are exposed to economic conditions that may be influenced by both security and political circumstances. However, there is a need for household-level evidence concerning how respondents perceive the effects of insecurity and political stability on income, employment, investment, small-business activities, market

---

confidence, and household welfare. Therefore, the problem addressed by this study is the limited household-level understanding of the relationship between insecurity, political stability, and household economic conditions in Jalalabad City. The study seeks to examine these relationships through primary data collected from household respondents and to identify the major economic areas perceived to be affected by insecurity and political stability.

### **1.2 Research Objectives**

- The overall aim of this study is to investigate how insecurity and political stability affect the economic situation of the households in Jalalabad city in Nangarhar Province, Afghanistan.

#### ***The specific objectives are:***

- To analyze the impact of insecurity on household income, employment, investment, small business operations and overall economic activities.
- To evaluate the respondents' perception of the linkage between political stability and economic growth, trade expansion, attracting investment, market confidence, job opportunities and economic policy implementation.
- To investigate the linkages between changing economic conditions and the income, quality of life, spending, savings and overall economic well-being of households.
- To understand the overall impact of insecurity and political stability on economic resilience and welfare of households in Jalalabad City.

### **1.3 Research Questions**

The following research questions were asked:

1. What are the impacts of the insecurity on the income of households, employment opportunities, investment, small businesses and overall economic activities in Jalalabad City?
2. What are the perceptions of respondents regarding the linkages between the political stability and economic growth, trade expansion, attraction of investment, market confidence, job creation and implementation of economic policy?
3. How do shifts in the economy impact household income, quality of life, household spending, savings and overall economic well-being?

- 
4. How does insecurity and political stability affect economic resilience and welfare of households in Jalalabad City?

#### ***1.4 Hypothesis***

Following from the research goals and the literature review, the following hypotheses are put forth:

- The relationship between insecurity and household economic conditions such as household income, employment opportunities, investment, small business activities and general economic activities is negative.
- The relationship between political stability and household economic conditions, such as economic growth, economic policy implementation, employment opportunities, market confidence, attracting investors, and expanding trade is positive.
- A change in overall economic conditions corresponds to a change in the overall economic well-being, household savings, household spending, and household quality of life or income.
- The null hypothesis (H0) is that there is no meaningful relationship between insecurities and political stability with economic conditions in the household studied.

#### ***1.5 Significance of the Study***

The study is important as it considers the impact of insecurity and political stability in regard to household economic conditions, and not only the national or the macroeconomic indicators. Households are an integral component of the economy and changes in security and political environments can affect their income, employment, investment, spending, saving and welfare. The study also has relevance to the context of Jalalabad City in Nangarhar Province, where the security situation, market opportunities, employment and general political and institutional situation could impact household economic activities. The study was conducted at the household level, with its findings based on the perception of the respondents. It provides empirical evidence of the economic impacts of insecurity and political stability at the household level.

The results might be relevant for policymakers, governments, development organizations and researchers, as well as for other stakeholders interested in the welfare and economic resilience of households. The study might be able to pinpoint areas needing more focus, such as employment opportunities, livelihood support, small-business activities, investment, market confidence, and safeguarding the welfare of households during economic crises. In terms of education, the study contributes to the literature on the relationship between insecurity and political stability, and between the economic status of households and educational outcomes. It also offers a

---

foundation for conducting additional studies with larger samples, probability sampling, longitudinal studies, and inferential statistics.

## **2. LITERATURE REVIEW**

Political problems have always been recognized as significant factors in the economic vulnerability of the household. Bad governance and political instability contribute to poverty and insecurity by undermining institutions, decreasing accountability and interrupting the provision of public services, as per Umar et al. (2025). They identify a vicious circle where weak governance leads to instability and instability in turn leads to further weak governance and increased poverty and insecurity in households. Similarly, when analyzing the political economy of intervention in Afghanistan, Thermos (2023) highlights that insecurity and weak governance systems have a negative impact on household resilience. Insecurity can have a negative impact on income-generating activities, on the displacement of populations, on the ability to access markets and on the ability to provide basic welfare for families.

These relationships have also been demonstrated in recent household-level studies. Saif-Nijat et al. (2023) studied the impact of food insecurity on the quality of lives of households prior to and after the Taliban's takeover of Afghanistan. The survey of 555 households indicated that the level of household food security worsened significantly after the political transition, with the percentage of food-insecure households rising from 70 percent before the takeover to 98 percent afterward. The study further found a connection between food insecurity and the quality of life, pointing to the fact that political and economic alterations could have direct welfare implications at the household level. Likewise, Naja et al. (2023) explored the social determinants of food insecurity of the rural households during the Taliban regime. Their results are relevant for the understanding of household vulnerability, as they indicate that food insecurity is not only driven by household income but also by the socioeconomic and institutional contexts of the households. This means that insecurities can manifest themselves in a number of ways: low income possibilities, access to resources, and shifts in the broader economic climate.

The impacts of insecurity on household welfare are also supported by recent evidence from conflict-affected countries. Muriuki et al. (2023) examined household-level data from Ethiopia and Malawi and found that exposure to violent conflict significantly reduced food security. Their estimates show an average 16.13% reduction in the household food consumption score among conflict-affected households, with substantially larger effects when conflict occurred simultaneously with shocks such as droughts and floods. These findings

---

demonstrate that conflict can directly undermine households' capacity to maintain adequate food consumption and protect their welfare, rather than affecting only national economic indicators. Similar evidence is relevant to Afghanistan, where households frequently face overlapping economic, political, security, and environmental shocks.

Recent evidence from Afghanistan further demonstrates the close relationship between conflict, livelihoods, and household welfare. Ahmadzai and Morrissey (2025), using nationally representative household data from Afghanistan covering 2011–2017, found that crop diversification improved household consumption, food expenditure, and, to a lesser extent, dietary diversity. However, households exposed to violence tended to reallocate expenditure toward food and away from other forms of consumption, indicating that conflict can alter household resource allocation and constrain broader welfare investments. Their findings suggest that livelihood diversification can serve as an important coping mechanism for households exposed to conflict and economic shocks.

Household food insecurity in Afghanistan is also strongly associated with socioeconomic characteristics and livelihood opportunities. Akbar et al. (2023), based on survey data from 6,019 rural households across 25 Afghan provinces, found that household income, household size, education, and participation in agricultural activities were significantly associated with severe food insecurity. The study particularly emphasizes the importance of income-generating opportunities and productive activities in reducing household vulnerability. Saif-Nijat et al. (2023) similarly found a substantial deterioration in household food security and quality of life following the major political change in Afghanistan, reporting higher food insecurity and declines across several dimensions of household quality of life.

The vulnerability of Afghan households is further intensified when conflict interacts with environmental shocks. Ahmadzai et al. (2025) found that climate-related shocks, particularly floods, significantly reduced household income, farm revenue, food expenditure, and other indicators of household welfare, while conflict amplified the negative effects of floods on household food security. This evidence suggests that household vulnerability in Afghanistan should be understood as the result of interacting political, security, economic, and environmental shocks rather than as the outcome of a single factor. Overall, the recent literature indicates that insecurity and political instability can weaken household livelihoods, reduce food security, constrain consumption choices, and limit households' capacity to invest in longer-term welfare. These findings reinforce the importance of examining household-level economic resilience and coping strategies in contexts where political uncertainty and insecurity persist.

---

The household food security monitoring by WFP also indicates ongoing vulnerability. Afghanistan has been one of the countries where high frequency household surveys have been conducted and have established the need to monitor household food security, since economic and social livelihoods can shift quickly in response to shocks to income, food prices, displacement and disruption. This reinforces the idea that the economic vulnerability of households needs to be analyzed independently of the macroeconomic context because of the potential for differences in impact between the national level and the household level.

Further, Bardhan (2022) widens this debate by looking into various types of insecurity, such as economic insecurity, cultural insecurity, and existential insecurity, and how they relate to democratic disenchantment. Because his work indicates that insecurity can have an impact on material well-being, it can also affect people's trust in political institutions. If a household has a continuing lack of confidence in its income, employment, access to public services, and personal security, it may be less inclined or capable of investing in household welfare over the long-term and in financial planning. Political uncertainty can also indirectly affect the economic behavior of households by heightening uncertainty and lowering trust in the future. There are some theoretical frameworks that can help explain these relationships. According to Failed State Theory, the lack of governance and inadequate state capacity can drive insecurity and economic vulnerability to become entrenched. The absence of the State in providing security, infrastructure, public services and functioning institutions has led to households having to assume greater responsibility for managing risk. Institutional Theory focuses on the significance of the quality and reliability of institutions in economic behavior, through the predictable rules they set, the protection of property rights, and access to markets and public services. Households may be more uncertain when institutions are weak and unstable and may cut back on productive investment or turn to short-term coping mechanisms.

The Human Security Framework, however, focuses on the individual and household in its security analysis. Building security from this angle is not just about protection from violence, but also about providing economic security, food security, health security, livelihood security or protection from political and social threats. The recent literature indicates that the implications of insecurity are far-reaching and are not just confined to the level of national economic performance. Household income, food consumption, employment and livelihood choice, access to public services and ability to cope with economic shocks can be affected by conflict and political instability.

---

### **3. RESEARCH METHODOLOGY**

#### ***3.1 Research Design***

In this study, a quantitative descriptive – analytical type of research was used to identify the impacts of insecurity and political stability on household economic conditions in Jalalabad City of Nangarhar Province, Afghanistan. This study included the economic welfare, market confidence, savings, expenditure, investment, employment, and household income. A descriptive approach was used to recognize patterns in the respondent's perceptions, and analytical interpretation was applied to analyze the relationship between insecurity, political stability and household economic conditions.

The target population was households of Jalalabad City. Participants included adult household members who knew about the economic situation of their households. Data collection was done using a structured questionnaire, developed using Google forms, which was used to gather primary data. The questionnaire was sent by e-mail and participation was voluntary, thus non-probability convenience and self-selection sampling were employed. The study was not a probability-based stratified random sampling because there wasn't a complete household sampling frame available and the study was not conducted randomly. Forty-six responses were received, and 45 valid responses were used for analysis. The sample size was estimated based on the number of respondents accessible and the feasibility of conducting household-level data collection in the study area. Based on this, the results are not statistically representative estimates for all households in Jalalabad but rather a range of descriptive evidence from the respondents who were surveyed. The questionnaire used was predominantly developed from statements with five-point Likert scale options: Strongly Agree, Agree, Neutral, Disagree, and Strongly Disagree. It measured the impact of insecurity on household income, employment opportunities, investment, small-business activities and economic activities. It also addressed attitudes toward political stability in the context of economic development, trade growth, attracting investment, market confidence, job creation and economic policy enforcement. Other topics included household income, spending, saving, living standards and economic confidence.

An important aspect of the questionnaire's reliability was the internal consistency. Cronbach's alpha is suitable for measuring the reliability of multi-item Likert scales; an alpha coefficient was not calculated from the aggregate frequency tables reported in this manuscript because reliability testing requires the original data of the respondents. No reliability coefficient is therefore reported without a set of underlying individual responses. The data collected were analyzed descriptively, in this case, frequencies and percentages. Results were presented in tables and figures in order to see the predominant response pattern for each questionnaire item. The analysis

---

was conducted in three general categories: insecurity's impact on household economic activities, the role political stability plays in the performance of the economy, and how wider economic conditions influence the welfare of households. The results have been analyzed in terms of the study objectives and the available literature on the concept of economic vulnerability, economic insecurity and political stability at the household level. The survey was voluntary and the purpose of the study was explained to the respondents. There was no need to provide personally identifying information. All information gathered was handled confidentially and for research purposes only, and any details that were presented as a whole group were done in an aggregate fashion to ensure the respondents' confidentiality.

### ***3.2 Target Population***

The target population of the study consisted of households residing in Jalalabad City, Nangarhar Province, Afghanistan. The unit of participation was an adult household member who was sufficiently familiar with the economic circumstances of his or her household. The study focused on respondents' perceptions concerning household income, employment, investment, expenditure, savings, quality of life, and economic confidence, as well as their perceptions of the effects of insecurity and political stability on these conditions. Because the questionnaire was distributed electronically and participation was voluntary, respondents were selected through non-probability convenience and self-selection sampling. No complete household sampling frame was available, and respondents were therefore not selected through probability-based random sampling.

### ***3.3 Sample Size***

A total of 46 responses were received through the Google Forms questionnaire. After examination of the responses, 45 valid responses were retained for analysis, while one response was treated as missing or excluded from the valid analysis. The effective sample size was therefore 45 respondents. The sample was determined primarily by respondent's accessibility and the practical constraints associated with collecting household-level information in the study area. Because the study employed convenience and self-selection sampling, the sample should not be considered statistically representative of all households in Jalalabad City. The findings therefore describe the perceptions and response patterns of the surveyed respondents.

### ***3.4 Measurement***

The study used a structured questionnaire as the principal measurement instrument. Most of the questionnaire items were measured using a five-point Likert scale consisting of:

- 
- Strongly Agree
  - Agree
  - Neutral
  - Disagree
  - Strongly Disagree

The questionnaire was organized around the principal variables of the study.

The first group of items measured respondents' perceptions of the effects of insecurity, including:

- effects on household/family income;
- limitations on employment opportunities;
- effects on investment;
- effects on small-business activities;
- disruption of economic activities; and
- effects on implementation of economic policies.

The second group measured perceptions concerning political stability, including:

- association with economic growth;
- influence on trade expansion;
- effects on investment attraction;
- effects on market confidence;
- effects on employment opportunities; and
- effects on the implementation of economic policies.

The third group addressed household economic conditions and welfare, including:

- variation in household income with economic conditions;
- relationship between economic conditions and household quality of life;
- effects of economic conditions on household spending;
- household savings and financial conditions; and
- overall household economic status and confidence.

---

The measurement approach was therefore designed to capture respondents' perceptions of the relationship between security and political conditions and household economic well-being.

### **3.5 Tools and Tests**

The primary data collection tool used in this study was a structured questionnaire administered through Google Forms. The responses were organized and analyzed using descriptive statistical techniques.

The principal statistical tools used in the study were:

- Frequency distributions to identify the number of respondents selecting each response category;
- Percentages to express the distribution of responses and facilitate comparison among response categories; and
- Tables and figures to present the response patterns for the individual questionnaire items.

The study also considered questionnaire reliability. Cronbach's alpha is an appropriate reliability test for assessing the internal consistency of multiple Likert-scale items. However, the alpha coefficient was not calculated in the present study because the available manuscript contained aggregate frequency tables rather than the original respondent-level dataset. Therefore, no reliability coefficient is reported without access to the underlying individual responses.

Similarly, the study did not report inferential tests such as Pearson correlation, regression, t-tests, or chi-square tests because the current analysis is based primarily on descriptive frequency and percentage data. Consequently, the findings should be interpreted as descriptive evidence of respondents' perceptions rather than as statistically generalized relationships for the entire household population of Jalalabad City.

Ethical considerations were also observed during data collection. Participation was voluntary, respondents were informed of the academic purpose of the survey, no personally identifying information was required, and the collected information was treated confidentially and presented in aggregate form.

## **4. RESULTS AND DISCUSSION**

Findings of this study indicate that insecurity impacts directly and obviously on the economic situation of households in Jalalabad City. There is high level of agreement on the responses that insecurity has a negative impact on the income of households, employment opportunities, investment, small business activity and overall

economic activity. However, 66.7% of valid respondents strongly agreed that insecurity is responsible for the reduction in family income, and 57.8% strongly agreed that insecurity is responsible for the limitation of employment opportunities. Likewise, 68.9% strongly agreed that insecurity has a negative impact on investment; while 95.6% agreed or strongly agreed that insecurity has a negative impact on small-business activities. These findings indicate that insecurity is an economic constraint that households feel directly as it can impact working capacity, business operation, mobility, market access and access to regular incomes of people. The findings on political stability were also largely favorable, but mixed responses were given as compared to insecurity. The distinction can be attributed to the nature of the two concepts. Insecurity is a closer, more tangible situation that a household can be vulnerable to, such as job loss, cessation of business operations, mobility constraints, and income insecurity. Political stability, on the other hand, is a more overarching institutional and economic climate whose impact might be more indirect and/or rely on other factors like market conditions, job prospects, prices, financial access, etc. and the effectiveness of economic policies. Political stability is therefore an issue that respondents may agree is important but believe has a varying impact on specific economic outcomes.

This is corroborated by the results of the survey. 93.3% of those who responded said they strongly agreed or agreed that economic growth is related to political stability. Likewise, 93.3% and 91.1% agreed or strongly agreed that political stability has an impact on investment attractiveness and market confidence, respectively. But there was a little more of a split of opinion on trade expansion and in relation to economic policy matters. This indicates that political stability is recognised as being important overall, but not necessarily as the only criteria by which economic performance is judged. A number of economic and institutional determinants affect trade, investment and the effectiveness of policy implementation, and therefore political stability could be seen as a necessary but not sufficient precondition for trade and investment.

This is not a contradiction between the two sets of findings, but rather an important difference. The high level of consensus on insecurity suggests that households are directly facing the economic impacts of an insecure environment. The somewhat mixed views on political stability reveal a recognition that one needs to differentiate between more immediate security related issues and longer-term institutional conditions affecting economic performance. That is, the negative effects of insecurity could have direct impacts on household economic decisions, while the positive effects of political stability could have an indirect impact on employment, markets, investment, policy implementation and confidence. The results are in line with the general literature. Theros (2023) highlight the fact that insecure and fragile governance can negatively impact livelihoods and household resilience, and Umar et al. (2025) associate weak governance and instability with

ongoing poverty and insecurity. The present findings build on these arguments by revealing the perception of these more general issues at the household level in Jalalabad. The findings also corroborate the findings that economic uncertainty can impact household confidence and longer planning (Bardhan, 2022).

**Table 1:** Insecurity affects the income level of families

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 30        | 65.2    | 66.7          | 66.7               |
|         | Agree          | 15        | 32.6    | 33.3          | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The table's findings indicate that insecurity significantly affects families' income levels. Of the 45 valid respondents, 30 (66.7%) strongly agreed that insecurity affects family income, while 15 (33.3%) agreed. Notably, no respondents selected neutral, disagree, or strongly disagree options. One response was missing, representing 2.2% of the total sample.

**Table 2:** Insecurity limits employment opportunities

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 26        | 56.5    | 57.8          | 57.8               |
|         | Agree          | 19        | 41.3    | 42.2          | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The data presented in the table show that respondents overwhelmingly believe that insecurity limits employment opportunities. Among the 45 valid responses, 26 respondents (57.8%) strongly agreed with the statement, while

19 respondents (42.2%) agreed. No respondents selected neutral, disagree, or strongly disagree options. One response was missing, accounting for 2.2% of the total sample.

**Table 3:** Insecurity affects the level of investment

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 31        | 67.4    | 68.9          | 68.9               |
|         | Agree          | 14        | 30.4    | 31.1          | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The findings presented in the table indicate that respondents strongly believe insecurity affects the level of investment. Out of the 45 valid responses, 31 respondents (68.9%) strongly agreed that insecurity influences investment levels, while 14 respondents (31.1%) agreed with the statement. No respondents selected neutral, disagree, or strongly disagree options. One response was missing, representing 2.2% of the total sample.

**Table 4:** Insecurity affects the activities of small businesses

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 22        | 47.8    | 48.9          | 48.9               |
|         | Agree          | 21        | 45.7    | 46.7          | 95.6               |
|         | Neutral        | 2         | 4.3     | 4.4           | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The table indicates that insecurity is significant and affects the operations of small businesses. Among the 45 valid respondents, 22 (48.9%) strongly agreed that insecurity impacts small business operations, while 21 (46.7%) agreed. Additionally, 2 respondents (4.4%) remained neutral. No respondents disagreed or strongly disagreed. One response was missing, accounting for 2.2% of the total sample.

**Table 5:** Insecurity disrupts economic activities

|         |                | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|---------|----------------|------------------|----------------|----------------------|---------------------------|
| Valid   | Strongly Agree | 21               | 45.7           | 46.7                 | 46.7                      |
|         | Agree          | 24               | 52.2           | 53.3                 | 100.0                     |
|         | Total          | 45               | 97.8           | 100.0                |                           |
| Missing | System         | 1                | 2.2            |                      |                           |
| Total   |                | 46               | 100.0          |                      |                           |

The data presented in the table show that respondents overwhelmingly agree that insecurity disrupts economic activities. Of the 45 valid respondents, 21 participants (46.7%) strongly agreed, while 24 respondents (53.3%) agreed with the statement. No respondents selected neutral, disagree, or strongly disagree options. One response was missing, representing 2.2% of the total sample.

**Table 6:** Insecurity affects the implementation of economic policies

|         |                | <b>Frequency</b> | <b>Percent</b> | <b>Valid Percent</b> | <b>Cumulative Percent</b> |
|---------|----------------|------------------|----------------|----------------------|---------------------------|
| Valid   | Strongly Agree | 19               | 41.3           | 42.2                 | 42.2                      |
|         | Agree          | 24               | 52.2           | 53.3                 | 95.6                      |
|         | Neutral        | 2                | 4.3            | 4.4                  | 100.0                     |
|         | Total          | 45               | 97.8           | 100.0                |                           |
| Missing | System         | 1                | 2.2            |                      |                           |
| Total   |                | 46               | 100.0          |                      |                           |

The findings table presented indicates that respondents generally believe that insecurity affects the implementation of economic policies. Among the 45 valid respondents, 19 (42.2%) strongly agreed that insecurity influences the implementation of economic policies, while 24 (53.3%) agreed. In addition, 2 respondents (4.4%) remained neutral. No respondents disagreed or strongly disagreed. One response was missing, accounting for 2.2% of the total sample.

**Table 7:** Political stability is associated with economic growth

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 24        | 52.2    | 53.3          | 53.3               |
|         | Agree          | 18        | 39.1    | 40.0          | 93.3               |
|         | Neutral        | 2         | 4.3     | 4.4           | 97.8               |
|         | Disagree       | 1         | 2.2     | 2.2           | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The table indicates that most respondents believe in political stability. Economic growth is associated with economic growth. Among the 45 valid respondents, 24 (53.3%) strongly agreed, and 18 (40.0%) agreed with the statement. Additionally, 2 respondents (4.4%) remained neutral, while only 1 respondent (2.2%) disagreed. One response was missing, representing 2.2% of the total sample.

**Table 8:** Political stability influences trade expansion

|         |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-------------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree    | 18        | 39.1    | 40.0          | 40.0               |
|         | Agree             | 20        | 43.5    | 44.4          | 84.4               |
|         | Disagree          | 6         | 13.0    | 13.3          | 97.8               |
|         | Strongly Disagree | 1         | 2.2     | 2.2           | 100.0              |
|         | Total             | 45        | 97.8    | 100.0         |                    |
| Missing | System            | 1         | 2.2     |               |                    |
| Total   |                   | 46        | 100.0   |               |                    |

In the table, it's generally agreed that political stability influences trade expansion. Of 45 valid respondents, 18 (40.0%) strongly agreed, and 20 (44.4%) agreed with the statement. However, 6 respondents (13.3%) disagreed, while 1 respondent (2.2%) strongly disagreed. One response was missing, accounting for 2.2% of the total sample.

**Table 9:** Political stability affects investment attraction

|         |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-------------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree    | 23        | 50.0    | 51.1          | 51.1               |
|         | Agree             | 19        | 41.3    | 42.2          | 93.3               |
|         | Neutral           | 1         | 2.2     | 2.2           | 95.6               |
|         | Disagree          | 1         | 2.2     | 2.2           | 97.8               |
|         | Strongly Disagree | .1        | 2.2     | 2.2           | 100.0              |
|         | Total             | 45        | 97.8    | 100.0         |                    |
| Missing | System            | 1         | 2.2     |               |                    |
| Total   |                   | 46        | 100.0   |               |                    |

The findings presented in the table indicate that respondents largely agree that Political stability affects the attraction of investment. Of 45 valid respondents, 23 (51.1%) strongly agreed, 4 (8.9%) agreed, and 19 (42.2%) agreed with the statement. In contrast, 1 respondent (2.2%) remained neutral, 1 (2.2%) disagreed, and 1 (2.2%) strongly disagreed. One response was missing, representing 2.2% of the total sample.

**Table 10:** Political stability affects market confidence

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 16        | 34.8    | 35.6          | 35.6               |
|         | Agree          | 25        | 54.3    | 55.6          | 91.1               |
|         | Neutral        | 3         | 6.5     | 6.7           | 97.8               |
|         | Disagree       | 1         | 2.2     | 2.2           | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The findings presented in the table indicate that respondents generally agree that political stability affects market confidence. Out of 45 valid respondents, 16 participants (35.6%) strongly agreed and 25 respondents (55.6%)

agreed with the statement. Additionally, 3 respondents (6.7%) remained neutral, while 1 respondent (2.2%) disagreed. One response was missing, accounting for 2.2% of the total sample.

**Table 11:** Political stability affects employment opportunities

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 19        | 41.3    | 42.2          | 42.2               |
|         | Agree          | 24        | 52.2    | 53.3          | 95.6               |
|         | Neutral        | 2         | 4.3     | 4.4           | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The findings presented in the table indicate that respondents generally agree that political stability affects employment opportunities. Out of 45 valid respondents, 19 participants (42.2%) strongly agreed and 24 respondents (53.3%) agreed with the statement. Additionally, 2 respondents (4.4%) remained neutral. No respondents disagreed or strongly disagreed. One response was missing, accounting for 2.2% of the total sample.

**Table 12:** Political stability affects the implementation process of economic policies

|         |                   | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|-------------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree    | 15        | 32.6    | 33.3          | 33.3               |
|         | Agree             | 21        | 45.7    | 46.7          | 80.0               |
|         | Neutral           | 3         | 6.5     | 6.7           | 86.7               |
|         | Disagree          | 5         | 10.9    | 11.1          | 97.8               |
|         | Strongly Disagree | 1         | 2.2     | 2.2           | 100.0              |
|         | Total             | 45        | 97.8    | 100.0         |                    |
| Missing | System            | 1         | 2.2     |               |                    |
| Total   |                   | 46        | 100.0   |               |                    |

The findings presented in the table indicate that respondents generally agree that political stability affects the implementation process of economic policies. Out of 45 valid respondents, 15 participants (33.3%) strongly agreed and 21 respondents (46.7%) agreed with the statement. In addition, 3 respondents (6.7%) remained neutral, 5 respondents (11.1%) disagreed, and 1 respondent (2.2%) strongly disagreed. One response was missing, accounting for 2.2% of the total sample.

**Table 13:** Household income varies with changes in economic conditions

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 26        | 56.5    | 57.8          | 57.8               |
|         | Agree          | 17        | 37.0    | 37.8          | 95.6               |
|         | Neutral        | 2         | 4.3     | 4.4           | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The findings presented in the table indicate that respondents generally agree that household income varies with changes in economic conditions. Out of 45 valid respondents, 26 participants (57.8%) strongly agreed and 17 respondents (37.8%) agreed with the statement. Additionally, 2 respondents (4.4%) remained neutral. No respondents disagreed or strongly disagreed. One response was missing, accounting for 2.2% of the total sample.

**Table 14:** Household quality of life is linked to economic conditions

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 21        | 45.7    | 46.7          | 46.7               |
|         | Agree          | 24        | 52.2    | 53.3          | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The findings presented in the table indicate that respondents strongly agree that household quality of life is linked to economic conditions. Out of 45 valid respondents, 21 participants (46.7%) strongly agreed and 24 respondents (53.3%) agreed with the statement. No respondents selected neutral, disagree, or strongly disagree options. One response was missing, accounting for 2.2% of the total sample.

**Table 15:** Economic conditions influence household spending

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 18        | 39.1    | 40.0          | 40.0               |
|         | Agree          | 26        | 56.5    | 57.8          | 97.8               |
|         | Neutral        | 1         | 2.2     | 2.2           | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The table shows that I agree that economic conditions influence household spending. Of the 45 valid respondents, 18 (40.0%) strongly agreed, and 26 (57.8%) agreed with the statement. Additionally, 1 respondent (2.2%) remained neutral. No respondents disagreed or strongly disagreed. One response was missing, accounting for 2.2% of the total sample.

**Table 16:** Economic conditions influence household savings

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 17        | 37.0    | 37.8          | 37.8               |
|         | Agree          | 25        | 54.3    | 55.6          | 93.3               |
|         | Neutral        | 2         | 4.3     | 4.4           | 97.8               |
|         | Disagree       | 1         | 2.2     | 2.2           | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The report shows that we all agree that the economic conditions influence household savings. Of the 45 valid respondents, 17 (37.8%) strongly agreed, and 25 (55.6%) agreed with the statement. Additionally, 2 respondents (4.4%) remained neutral, while 1 respondent (2.2%) disagreed. One response was missing, accounting for 2.2% of the total sample.

**Table 17:** Household economic confidence depends on the state of the market

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 17        | 37.0    | 37.8          | 37.8               |
|         | Agree          | 23        | 50.0    | 51.1          | 88.9               |
|         | Neutral        | 4         | 8.7     | 8.9           | 97.8               |
|         | Disagree       | 1         | 2.2     | 2.2           | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The table shows that respondents generally agree that household economic confidence depends on the state of the market. Of the 45 valid respondents, 17 (37.8%) strongly agreed, and 23 (51.1%) agreed with the statement. Additionally, 4 respondents (8.9%) remained neutral, while 1 respondent (2.2%) disagreed. One response was missing, accounting for 2.2% of the total sample.

**Table 18:** National economic conditions influence households' overall economic status

|         |                | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------|----------------|-----------|---------|---------------|--------------------|
| Valid   | Strongly Agree | 22        | 47.8    | 48.9          | 48.9               |
|         | Agree          | 23        | 50.0    | 51.1          | 100.0              |
|         | Total          | 45        | 97.8    | 100.0         |                    |
| Missing | System         | 1         | 2.2     |               |                    |
| Total   |                | 46        | 100.0   |               |                    |

The findings in the table indicate that respondents strongly agree that national economic conditions influence households' overall economic status. Of 45 valid respondents, 22 (48.9%) strongly agreed, and 23 (51.1%)

---

agreed with the statement. No respondents selected neutral, disagree, or strongly disagree options. One response was missing, accounting for 2.2% of the total sample.

#### **4.1 DISCUSSION**

The findings of this study indicate that perceived insecurity has a significant adverse effect on the economic situation of households in Jalalabad City. A large proportion of respondents reported that insecurity negatively affects household income, employment opportunities, investment decisions, and small business activities. These findings suggest that insecurity influences household economic well-being not only through direct economic losses but also through indirect channels, including reduced mobility, weaker market confidence, uncertainty about future income, and limited willingness to undertake productive investments. This interpretation is consistent with empirical evidence showing that political instability and conflict can weaken household economic resilience and influence consumption, saving, and investment decisions (Büttner et al., 2022; Kafando et al., 2024; Jawadi & Pondie, 2024).

The present findings are also consistent with recent evidence from Afghanistan. Ahmadzai and Morrissey (2025) found that conflict affects household welfare by changing expenditure patterns and limiting households' ability to benefit from livelihood strategies. Their findings indicate that households exposed to violence tend to allocate a greater share of their expenditure to food, while livelihood diversification can help protect household welfare. Similarly, Najam et al. (2023) documented substantial food-security challenges among rural Afghan households under conditions of political and socioeconomic instability. Sadeghi et al. (2024) further reported an association between household food insecurity and quality of life in Afghanistan, particularly when comparing conditions before and after the recent political change. These findings provide additional support for the present study, suggesting that insecurity can reduce households' capacity to maintain stable living conditions and protect their economic well-being.

The finding that insecurity discourages investment and constrains small business activities is further supported by international evidence. Büttner et al. (2022) found that political instability in Burkina Faso was associated with lower household financial savings, reduced accumulation of durable goods, and lower investment in housing, education, and health. Similarly, Apergis (2024) showed that political uncertainty can influence household portfolio decisions, while Kafando et al. (2024) demonstrated that armed conflict can affect household income and food-related economic outcomes. These findings help explain why respondents in Jalalabad City perceived insecurity as a constraint on employment, business expansion, and investment. When

---

future economic and political conditions are uncertain, households and small businesses may prefer to preserve liquidity and avoid risky long-term commitments.

The study also finds that political stability is perceived as an important condition for household economic well-being. Most respondents associated political stability with economic growth, greater investment, improved market confidence, and increased employment opportunities. This finding is consistent with Dirks and Schmidt (2024), who provide evidence that political instability negatively affects economic growth, with consumption and investment serving as important transmission channels. Similarly, Jawadi and Pondie (2024) show that political uncertainty can influence consumer confidence and spending decisions. From a household perspective, greater political predictability can reduce uncertainty concerning employment, prices, markets, and future income, thereby creating more favorable conditions for saving, investment, business expansion, and longer-term economic planning.

The relationship between political conditions and household saving behavior is also supported by Xu (2023), who examined the response of households to policy uncertainty. The study suggests that uncertainty can alter household saving decisions as families adjust their financial behavior in response to changing economic expectations. This is relevant to the present findings because respondents in Jalalabad City reported changes in income stability, expenditure, and saving under different political and security conditions. Thus, the economic effects of insecurity may extend beyond immediate income losses and influence households' broader financial planning and resilience.

The importance of political stability is particularly evident in the Afghan context. Mowahed et al. (2025), in an empirical assessment of welfare indicators before and after the 2021 political transition in Afghanistan, reported substantial changes in unemployment, purchasing power, basic services, economic growth, and poverty. These findings demonstrate that major political changes can have broad socioeconomic consequences that directly influence household living conditions. However, the present findings should not be interpreted as evidence that political stability automatically produces household economic improvement. Rather, political stability may provide a more predictable environment in which employment, investment, market activity, and service provision can function more effectively. The extent to which households benefit from such stability also depends on complementary factors such as effective governance, access to finance, functioning markets, employment opportunities, infrastructure, and reliable public services.

---

The relatively mixed responses concerning trade expansion and policy implementation are also important. They indicate that respondents may distinguish between general political stability and the specific economic policies through which stability is translated into household-level benefits. In other words, households may perceive a safer and more predictable environment as beneficial while remaining uncertain about whether broader policy measures will generate immediate improvements in employment, business opportunities, or household income. This distinction is consistent with the literature suggesting that political conditions influence economic outcomes through several interconnected mechanisms rather than through a single pathway. Dirks and Schmidt (2024), for example, identify consumption and investment as important channels through which political instability can influence broader economic outcomes.

Overall, the findings demonstrate that insecurity and political stability are closely associated with household economic conditions in Jalalabad City. Insecurity appears to constrain income-generating activities, employment opportunities, small business operations, savings, and investment decisions, whereas political stability is perceived as creating greater confidence and predictability for economic activities. The findings therefore support the broader argument that household economic resilience depends not only on household resources but also on the security and institutional environment in which households operate. For Jalalabad City, policies aimed at improving household economic security should therefore consider the interaction between security, employment, investment, market confidence, and institutional predictability. Strengthening conditions that allow households and small businesses to plan for the future may contribute to greater economic resilience and improved household economic well-being.

## **5. CONCLUSION**

The findings of this study indicate that security and political stability are significant factors which affect the economic welfare of households in Jalalabad city, Hangar Province of Afghanistan. The results show that insecurity is exerting significant pressure on household income, employment, investments, small business activities and overall economic activity. Respondents' high consensus indicates that insecurity is also perceived as an economic issue, one that hinders households from sustaining a stable livelihood and plan for the future. In addition, the results indicate that overall, political stability is seen as conducive to economic growth, investment, employment, market confidence, and a good performance of economic policies. Some political stability indicators, however, had somewhat more divergent results for responses, especially in the areas of trade expansion and policy implementation. This indicates that households understand that political stability is a key

---

determinant of economic development but also that other factors such as market conditions, prices, employment opportunities and institutional effectiveness have an impact on the economic fate of the household.

This study as a whole show that the economic vulnerability of households in Jalalabad is not only contested in the broader security and political situation, but also depends on it. Political stability may improve opportunities for livelihoods and long-term planning due to increased stability, while insecurity may diminish livelihood opportunities and household resilience. A more predictable economic environment, household livelihoods, improved security, and strengthened governance in Afghanistan are therefore important to improving household welfare and resilience.

### ***5.1 Suggestions and Recommendations***

The study findings suggest the following recommendations:

- Improve household incomes and employment opportunities. As 66.7% strongly agreed that insecurity has a negative impact on household income, and 57.8% strongly agreed that insecurity restricts employment opportunities, the policies should emphasize secure employment and vocational training and livelihood opportunities, especially for vulnerable households.
- Promote local businesses and economy. 48.9% of respondents strongly agreed and 46.7% agreed that insecurity hinders small business operations, there is need to make financial assistance, business development and facilitating measures available to small enterprises in order to operate safely in periods of insecurity.
- Invest in and strengthen economic confidence. The need to develop a more predictable and secure business environment should be encouraged given the high percentage (68.9%) that strongly agreed that insecurity has a negative impact on investment. Enabling access to finance, reinforcing market institutions, and decreasing uncertainty will make it more attractive for households and businesses to invest.
- Enhance political and institutional security. The results reveal a high degree of linkage between the political stability and economic growth, investment, employment and market confidence. Enhancing institutional effectiveness, transparency, accountability and consistent economic policies can boost confidence by households, economic actors.
- Protect household savings and welfare expenditure. Respondents indicated that economic conditions affect how much they save and spend at their household, so it is important to promote financial literacy initiatives and the availability of savings mechanisms. Support for vulnerable households to sustain essential

---

expenditures (food, health, education) should also come from social and community-based support during economic shocks.

- Enhance policy implementation in economics. While the vast majority of respondents indicated that political stability has an impact on the implementation of economic policy, there was some variation. This implies that political stability is not necessarily a precondition for good policy performance. Thus, the implementation mechanisms, institutional coordination and regular monitoring should be put in place in conjunction with the economic policies.
- Improve the capacity of households to be resilient. Homeless families are typically coping families. Households can better cope with economic shocks if they invest in livelihood diversification, skills development, access to financial services, and targeted social protection, without cutting back on their necessary consumption or on the sale of productive assets.
- Do more household level research. There is a need for future research in the country using larger and representative samples from various districts and provinces of Afghanistan. Longitudinal studies would also be beneficial to investigate time trends in the relationship between the evolution of security and political conditions and household income, savings, employment and welfare.

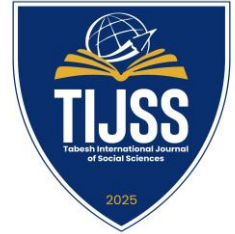
## **5.2 Conflict of Interest**

All authors express no conflict of interest in any part of the research.

## **6. REFERENCES**

- Ahmadzai, H., & Morrissey, O. (2025). Crop diversification, household welfare and conflict: Afghanistan 2011–2017. *The Journal of Development Studies*, 61(3), 381–399. <https://doi.org/10.1080/00220388.2024.2404576>
- Ahmadzai, H., Morrissey, O., & colleagues. (2025). Climate shocks, household food security and welfare in Afghanistan. *Food Policy*, 134, 102910. <https://doi.org/10.1016/j.foodpol.2025.102910>
- Apergis, N. (2024). US partisan polarization and households' portfolio decisions. *International Journal of Finance & Economics*, 29(4), 4339–4357. <https://doi.org/10.1002/ijfe.2880>
- Bardhan, P. (2022). *A world of insecurity: Democratic disenchantment in rich and poor countries*. Harvard University Press. <https://doi.org/10.4159/9780674287570>
- Büttner, N., Grimm, M., & Soubeiga, S. (2022). Political instability and households' investment behavior: Evidence from Burkina Faso. *Journal of Comparative Economics*, 50(2), 350–368. <https://doi.org/10.1016/j.jce.2021.11.003>

- 
- Compaoré, A., & Sawadogo, R. (2025). Financial inclusion, household consumption instability and democracy in developing countries: A finite mixture of regressions approach. *The Journal of International Trade & Economic Development*, 34(4), 758–780. <https://doi.org/10.1080/09638199.2024.2331224>
- Do, H., et al. (2023). Do households react to policy uncertainty by increasing savings? *Economic Analysis and Policy*, 80, 770–785. <https://doi.org/10.1016/j.eap.2023.09.018>
- Ito, T., Li, J., Usoof-Thowfeek, R., & Yamazaki, K. (2024). Educational consequences of firsthand exposure to armed conflict: The case of the Sri Lankan Civil War. *World Development*, 173, 106430. <https://doi.org/10.1016/j.worlddev.2023.106430>
- Jawadi, F., & Pondie, T. M. (2024). Political uncertainty and macro-financial dynamics in the BRICS. *International Economics*, 179, 100523. <https://doi.org/10.1016/j.inteco.2024.100523>
- Kafando, W. A., & Sakurai, T. (2024). Armed conflicts and household food insecurity: Effects and mechanisms. *Agricultural Economics*, 55(2), 313–328. <https://doi.org/10.1111/agec.12814>
- Koyuncu, M., Yörük, E., & Gürel, B. (2023). Does violent conflict affect the distribution of social welfare? Evidence from India's Mahatma Gandhi National Rural Employment Guarantee Act. *Social Policy & Administration*, 57(5), 656–678. <https://doi.org/10.1111/spol.12899>
- Mowahed, S. M., Zada, M. S., & Pooya, A. A. (2025). An empirical study on welfare indicators pre-and post-2021 republic collapse in Afghanistan. *International Review of Economics and Financial Issues*, 2(1), 1–24. <https://doi.org/10.62941/irefi.v2i1.134>
- Muriuki, J., Hudson, D., & Fuad, S. (2023). The impact of conflict on food security: Evidence from household data in Ethiopia and Malawi. *Agriculture & Food Security*, 12, 41. <https://doi.org/10.1186/s40066-023-00447-z>
- Najam, W., Ibiyemi, T., Aziz, S., Najam, R., Gichohi-Wainaina, W. N., & Oldewage-Theron, W. (2023). Social determinants of rural household food insecurity under the Taliban regime. *Nutrients*, 15(7), Article 1681. <https://doi.org/10.3390/nu15071681>
- Saif-Nijat, J., Pakravan-Charvadeh, M. R., Gholamrezai, S., Rahimian, M., Lane, G., Béland, D., Koc, M., Clark, N., Omidvar, N., Sadeghi, R., & Vatanparast, H. (2023). The association of the quality of life with Afghan households' food insecurity before and after the recent political change in Afghanistan: A comparative analysis. *BMC Public Health*, 23, Article 2066. <https://doi.org/10.1186/s12889-023-16967-z>
- Schaub, M. (2024). Violent conflict and the demand for healthcare: How armed conflict reduces trust, instills fear, and increases child mortality. *Social Science & Medicine*, 359, 117252. <https://doi.org/10.1016/j.socscimed.2024.117252>



- 
- Tavares, J. (2022). Unbundling the effect of political instability on income redistribution. *European Journal of Political Economy*, 75, 102189.
- Theros, M. (2023). Knowledge, power and the failure of US peacemaking in Afghanistan 2018–21. *International Affairs*, 99(3), 1231–1252. <https://doi.org/10.1093/ia/iia092>
- Umar, U. A., Dabo, O. D., Odewuyi, G., Benedict, C. B., Achief, G. O., Okpara, N., & Olajide, O. F. (2025). The role of political instability and poor governance in fueling poverty and insecurity in developing countries: A literature review. *International Journal of Research Publication and Reviews*, 6(8), 2473–2479.
- Unfried, K., & Kis-Katos, K. (2024). How conflict affects education: Differences between Boko Haram and farmer-herder conflicts in Nigeria. *World Development*, 177, 106540. <https://doi.org/10.1016/j.worlddev.2024.106540>
- United Nations Development Programme. (2025). *Afghanistan socio-economic review: Fragile gains, deepening subsistence insecurity, 2023–2024*. United Nations Development Programme.