

Afghanistan: Students' Perceptions About Entrepreneurship

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**ABSTRACT**

Our study is the first to investigate student views in Afghanistan about entrepreneurship and entrepreneurship education. Students at a new university in Afghanistan provided data on their intentions, entrepreneurial disposition, perceptions about the university role, and their beliefs about barriers and motives to entrepreneurship. We find significant differences between men and women in entrepreneurial disposition and entrepreneurial intentions, but scarcely any gender differences regarding perceptions of the university role. Further, we think it interesting that, despite significant gender differences in disposition and intentions, male and female students attach remarkably similar levels of importance to numerous entrepreneurship motives and barriers. In other words, although the two sexes appear to feel different about themselves and their plans, they hold relatively similar views on the reasons for entrepreneurship and the impediments to it.

Key words: Afghanistan, culture, entrepreneurship, intentions, disposition, gender.

## **INTRODUCTION**

Many countries could be called unique, but Afghanistan is a clear outlier, not only in its violent history and political instability, but in its economic and geographical isolation and its cultural distinctiveness.

### **Overview of Afghanistan**

Physically isolated but strategically located, Afghanistan evolved as a set of regions and factions subject to periodic invasion. It was not until the 18<sup>th</sup> century that it became more or less unified as a country. Beginning in the 1830s, Great Britain embarked on a series of wars in attempts to colonize the country. Those periodic wars ended nearly 85 years later, in 1921, with the end of the third British-Afghan war. From the early 1920s, Afghanistan began to modernize—adopting new technologies, developing widespread education, expanding trade with foreign nations, institutionalizing governmental processes, and building a blend of conservative Islam religion with a modern, secular socio-economic system. Afghanistan bordered the Soviet Union and was influenced by its neighbor. The Afghan socio-economic system thus became increasingly communist in nature, partly through political pressure, partly through economic and technical aid. Military coups in 1973 and 1978 led to decades of violence. Involvement (both open and subversive) in local politics by the United States and the Soviet Union led to a Soviet invasion, civil war, a series of short-lived governments, and the exodus of roughly 5 million Afghans by the mid-1990s. A conservative faction, the Taliban, rose to power. They brought a semblance of peace to the country, but with an austere and brutal moral code, and a highly-developed mistrust of outsiders. In 2001, it was the United States' turn to invade and occupy. In

the fourteen years since then, the country has alternated between periods of mild stability and on-going provincial/regional/civil war.

### **Studying Afghan Students**

One of the consequences of the American occupation was enormous spending, including a portion intended to rebuild Afghanistan's educational system. The students in this survey are part of that process, since they attend a relatively new four-year university built on Western educational models and processes, with administrators and faculty from a variety of countries. However, conditions remain far from what most educators would consider normal. For example, it is typical for faculty to live, commute, dine, and shop in groups, with armed guards at home, school, and on excursions. The road from the international airport into the capital city has been called the most dangerous road in the country.

Students in the school typically are what would be called the children of the Afghan elite. They come from various cities across the country, but have solid educational backgrounds, speak at least one foreign language (English), are technologically and economically literate, and largely come from prosperous families. By no means are they typical young Afghans. However, it is likely that the children of whatever socio-economic elite segment exists in a developing country are relatively likely to become the future economic, social, and political leaders of a developing country (Rarick, Winter, Falk, Nickerson, and Barczyk, 2013).

Thus, students such as these are an especially interesting group to study, and the results of their survey are revealing. Studying their views on entrepreneurship is particularly important. Like many countries which are less developed economically or which are politically unstable, Afghanistan has a substantial informal economy. However, that economy is fractured, poor,

unstable, and subject to a violent, corrupt, and relatively incompetent government and economic system. The informal economy, although it is populated with countless skilled entrepreneurs, is unlikely to generate substantial stability or progress for the country as a whole. Competent management will be needed, combined with intelligent investment, stronger regulatory frameworks and political processes, and an increasingly stable environment with opportunities and support for significant-scale entrepreneurial activity. Thus, it seems important to study the beliefs of the young people who will shape that system.

### **Entrepreneurship and Gender**

We also extend previous gender-based entrepreneurship research. Previous researchers have concluded that male students often have a significantly higher interest in entrepreneurship or, worded differently, that women show significantly less interest, whether due to inherent differences, culture, learned fear, or other factors (e.g., Farashah, 2013; Kourilsky and Walstad, 1998; Shay and Terjensen, 2005; Şeşen and Pruett, 2014; Wilson, Marlino & Kickul, 2004). In our study, the overall sample is small, as a result of the newness of the educational institution, so the number of female respondents is accordingly small as well. Nonetheless, there are some interesting observations.

### **METHODOLOGY**

We surveyed business students at a new 4-year private university in Kabul, Afghanistan. Due to the small size of the school, the sample consists of 94 respondents.

The survey questionnaire is derived from prior literature (including Genesca and Veciana, 1984; Pruett, 2012; Veciana, Aponte & Urbano, 2005). It explores students' perspectives on

university environment/curriculum, aspirations, intentions, entrepreneurial disposition, and entrepreneurship motives and barriers. The survey used Likert scales and a number of categorical variables. Likert scales were used to measure student perceptions about twenty barriers and sixteen motives. When conducting t-tests to assess differences in means between men and women, we used Levene's test to look for variance differences between the two groups. If we found such differences, we did not assume equal variances in the t-tests that were subsequently performed.

## **Demographics**

Of the 94 students who completed the survey, 77 were male, 12 were female, and 5 did not identify. About three-fourths were business majors, with the rest divided between other areas like computer science, political science, and liberal arts. Slightly more than half were from the capital of Kabul, with the rest coming from other significant cities like Jalalabad and Kandahar. They were distributed across the program from freshmen to seniors.

## **RESULTS**

### **\Students' Entrepreneurial Disposition and Intentions**

Disposition and intentions provide significant contrasts between male and female university students.

We asked our student respondents to rank themselves in terms of entrepreneurial disposition on a 7-point Likert scale ranging from "not entrepreneurial at all" to "very entrepreneurial". The self-reported disposition scores for men yielded a mean of 5.18, with s.d. 1.52. The disposition scores for women yielded a mean of 3.64, with s.d. 1.91. The difference

between men and women was statistically significant ( $p .025$ ). Thus, men see themselves as significantly more entrepreneurial than women see themselves.

A similar pattern held for entrepreneurial intentions. Scale answers for the entrepreneurial intentions question ranged from 1 (no, never) to 4 (yes, I have a definite plan to start my own business). The typical male response was that they had been thinking about it somewhat (mean 1.90, s.d. .852), while the response of most females response was no (mean 1.00, s.d. .953). The difference was statistically significant ( $p .008$ ).

### **Curriculum Content and University Stimulation**

As discussed above, male and female students differ significantly in their reported entrepreneurial disposition and intentions. However, they do not differ significantly in their views about the curriculum and university regarding entrepreneurship.

We assessed student perceptions as to: (a) the degree to which their field of study offered information on starting their own business and (b) the degree to which the university stimulated students to start their own business. Both questions were measured on a 4-point Likert scale ranging from a lot/greatly to none/none at all.

Students felt that entrepreneurial skills were a substantial part of their curriculum (men, mean = 2.91, s.d. = .692; women, mean 2.92, s.d. .669). The difference between men and women was statistically insignificant ( $p .972$ ). Men and women felt that the university also stimulated students to start their own business (men, mean 2.14, s.d. .969; women, mean 2.50, s.d. .905). Again, the difference between male and female students was statistically insignificant ( $p .227$ ).

### **Perceptions of Entrepreneurship Motives**

Although male and female students report significant differences in terms of entrepreneurial disposition and entrepreneurial intentions, differences are much rarer in their perceptions of motives for entrepreneurship.

Men and women generally agreed on the relative significance of motives (see Table 1). Unsurprisingly, both groups focused on themes of creation and life quality. The top four motives for both sexes were quality of life, financial independence, creating jobs, and creating something of their own. Both groups included only one specifically financially-related motive—the opportunity to be financially independent—in their top five.

With few exceptions, the two groups provided fairly consistent rank orders in the full set of motives. And, out of sixteen motives, men and women differed significantly on only one—the motive of wanting to make more money through entrepreneurship than they would by working for wages.

Table 1  
Motivations for Business Ownership

Motives for starting businesses (as ranked in order of importance)	Male ranking	Female ranking	Male Mean	Female Mean	t-test Sig.
Improving my quality of life	1	4	4.42	4.25	.549
Creating jobs	2	1	4.42	4.50	.772
Chance to be financially independent	3	2	4.41	4.50	.709
Creating something of my own	4	3	4.40	4.50	.660
Managing people	5	6	4.26	4.17	.773
Building personal wealth	6	11	4.21	3.92	.273
The chance to implement own ideas	7	7	4.19	4.17	.928
<b>More money than working for wages</b>	<b>8</b>	<b>12</b>	<b>4.16</b>	<b>3.58</b>	<b>.020 *</b>
Personal independence	9	8	4.14	4.08	.885
Gaining high social status	10	5	4.03	4.25	.370
Being at the head of an organization	11	9	3.92	4.08	.614
Receiving fair compensation	12	10	3.89	4.00	.778
Having more free time	13	13	3.19	3.55	.326
Professional/job dissatisfaction	14	14	3.18	3.33	.709
The difficulty of finding the right job	15	15	3.13	3.17	.916
Following a family tradition	16	16	3.01	3.00	.973

\* The means of men and women are significantly different at the .05 level

### **Perceptions of Entrepreneurship Barriers**

The survey also assessed students' perceptions of the relative importance of barriers to entrepreneurship. Again we assessed mean differences between men and women (Table 2). The two groups show more variety in the weights they assign to barriers than to motives. For example, the top three ranked barriers for men are lack of capital, assisting organizations, and knowledge. Issues such as risk and the current economic situation receive less weight from men. The top three ranked barriers for women are lack of capital, the current economic situation, and the lack of a high level of entrepreneurial competence.

As shown in the table, men and women agree less on the relative weights they assign to each barrier. However, despite this greater disagreement, the two sexes disagree significantly on only one dimension—the potential for problems with employees. Female students see this barrier as significantly more important than do male students.



Table 2  
Perceptions of Entrepreneurship Barriers

Barriers for starting businesses (in order of importance as ranked by students)	Male ranking	Female ranking	Male Mean	Female Mean	t-test Sig.
Excessively risky	8	6	3.66	3.58	.793
Lack of initial capital	1	1	3.99	4.08	.720
Current economic situation	5	2	3.76	4.08	.227
Lack of a high level of entrepreneurial competence	6	3	3.72	3.75	.960
Lack of knowledge	3	5	3.81	3.67	.676
Lack of experience in management and accounting	4	11	3.77	3.50	.526
Lack of knowledge of the business world and the market	9	17	3.59	3.40	.673
Lack of ideas regarding what business to start	11	12	3.48	3.50	.951
Irregular income	13	7	3.45	3.58	.601
Fiscal charges (taxes, legal fees, etc.).	20	20	2.97	3.08	.646
Lack of available assistance in assessing business viability	14	13	3.35	3.50	.638
Lack of formal help to start a business	10	8	3.59	3.55	.273
Lack of organizations to assist entrepreneurs	2	14	3.84	3.45	.898
Lack of support from people around me (family, friends, etc.)	12	18	3.47	3.36	.699
Fear of failure	15	15	3.23	3.45	.430
Lack of legal assistance or counseling	7	16	3.71	3.36	.320
Having to work too many hours	16	10	3.20	3.50	.324
Doubts about personal abilities	18	19	3.07	3.18	.803
<b>Problems with employees</b>	<b>19</b>	<b>4</b>	<b>3.01</b>	<b>3.75</b>	<b>.009 **</b>
Start up paperwork and bureaucracy	17	9	3.18	3.55	.380

\*\* The means of men and women are significantly different at the .01 level

## Limitations

The most important limitation is that our study is based on a rather small sample. A larger sample, perhaps longitudinal, from the school will be more informative. Nonetheless, we are sampling from what is inherently a rather small population

## Discussion and Conclusions

This paper reports the initial analyses of survey data from a study of a small sample from a small population. That young, highly educated, socio-economic elite population may have a substantial impact on the progress of its country over the next decade. Further analysis of the existing data and, certainly, further empirical research are warranted.

There were relatively few women in our sample, but women now form more than one-third of the university's student population.

It is interesting that the perceptual differences of men and women are so minor in this study, especially given the setting of Afghanistan. That may strongly suggest the commonalities shared by this student population. However, we can see that there are significant differences in how men and women see themselves, and what they have imagined for their personal futures. Is that a question of culture and socialization? Of political and economic realities? Of physiological and neurological differences? These are topics that we think merit discussion in a roundtable format, which would help us tremendously in the further development of this paper. We are interested both in the scholarly aspects of the topic and in the practical aspects. We want to make a contribution to the body of entrepreneurship literature, and to the future of a people who have endured decades of war.

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