

## Doing Business in Afghanistan | Afghan Social and Business Culture

### An Afghan Culture Overview

#### Fact file

- o **Official name** – Islamic Republic of Afghanistan
- o **Population** – 29,928,987\* (July 2005 est.)
- o **Official language** – Afghan Persian or Dari, Pashtu, and approx. 30 minor languages
- o **Currency** – Afghani (AFA)
- o **Capital city** – Kabul
- o **GDP** – purchasing power parity \$21.5 billion\* (2003 est.)
- o **GDP per capita** – purchasing power parity \$800\* (2003 est.)



#### Overview

Afghanistan is a landlocked country situated at the crossroads of the major regions of Asia. Ancient civilisations, stretching back at least 3,000 years, have passed through the country, with trade and invasion routes crossing its territory and carrying with it a plethora of traditions, cultures and religion. As a result, Afghanistan is a cultural and ethnic mosaic of linguistic and racial diversity. While diverse languages and cultures co-exist, the people of Afghanistan share fundamental beliefs, values and qualities, which should be identified and understood by any organisation wishing to conduct business in the country.

#### Afghan culture - key concepts and values

**Islam** - Afghanistan is one of the most solidly Muslim countries in the world. Across the various ethnic groups, religion is the strongest common bond. A great many Afghans adhere to Islamic principles and practise traditional rituals on a daily basis. For them, Islam is a way of life and governs aspects of behaviour, politics, moral values and how one should dress. There are varying degrees to which Islam impacts on the daily lives of Afghans, however it is vital to remember its influence when working alongside your Afghan business colleagues.

**Indirect Communication** - Afghan culture has a particularly indirect communication style relying heavily on nonverbal cues and figurative forms of speech, where information is not explicitly stated. For Afghans, indirect communication relates closely to saving face and respecting an individual's honour. A direct refusal to a proposal for example, may be interpreted as impolite. Therefore, when conducting business discussions with your Afghan colleagues you should avoid responding with a direct "no", and be prepared to interpret seemingly indefinite comments and gestures.

**Hospitality** – A vital element of Afghan culture is the notion of hospitality. In Afghanistan, hospitality is a deeply rooted tradition that is closely linked to honour and reputation. Open displays of generosity and welcoming behaviour are essential qualities for measuring an Afghan's good reputation and character. When offered such hospitality, whether in a business or personal setting, it is important to accept it, thus maintaining the individual's sense of honour.

## Afghanistan Today

The modern state of Afghanistan emerged during the eighteenth century from the political expansion of Pashtun tribes. Afghanistan's recent history has been dominated by centuries of warfare, foreign occupation and civil unrest. In 1973, a military coup overthrew the monarchy and the country was declared a republic. A decade of Soviet occupation and economic manipulation then followed leaving the nation torn by civil war. In 1996, an Islamic fundamentalist movement, the Taliban, captured the city of Kabul and established a notorious regime that was later toppled in 2001. This led to the adoption of a new constitution and the reconstruction of the country's economy through international assistance. Today, Afghanistan's continued efforts in reviving and maintaining political and economical stability are gaining interest from foreign investments and opening up the country to international business opportunities.

## Afghanistan business Part 1 - Working in Afghanistan (Pre-departure)

- **Working practices in Afghanistan**
  - The concept of time in Afghanistan is not measured as strictly as time in western countries. Therefore, even though your Afghan counterparts may not arrive to business meetings on time, punctuality will be expected of foreigners.
  - The Afghan working week begins on Sunday and ends on Thursday. Friday is the Muslim holy day and considered part of the weekend. However, it is not uncommon for some businesses to also close on a Thursday.
  - Afghanistan is predominantly Muslim and for this reason time must be allocated during the working day for prayer. This may interrupt the daily business schedule; therefore you should take this into consideration when making business appointments.
  
- **Structure and hierarchy in Afghan companies**
  - Afghan business culture dictates a strict hierarchical structure where leaders separate themselves from the group and power is distributed from the top.
  - There is generally only one key decision maker - the most senior person in the company. Those in a more subordinate position represent the business during meetings but do not have the authority to make decisions.
  
- **Working relationships in Afghanistan**
  - Establishing close personal contacts is key to all business dealings in Afghanistan. Afghans prefer to get to know a person before entering into business with them and committing themselves to business decisions.
  - Afghans place great emphasis on respect and dignity, and are therefore cautious to maintain each other's honour. For this reason, younger colleagues in particular, must address their business counterparts with the appropriate title and act in a respectful manner at all times.

## Afghanistan business Part 2 - Doing business in Afghanistan

- **Business practices in Afghanistan**
  - In Afghan business etiquette, initial introductions tend to follow an informal procedure. First, as a reflection of the importance of hospitality in Afghan culture, there is a drink of tea. Then there follows some general conversation in which business is not typically mentioned or discussed. This process is vital for establishing trust and getting to know your Afghan counterparts on a more personal level.
  - The exchanging of business cards is not a widely practised part of Afghan business culture. However, if you are given a business card, it is customary to accept it using your right hand, study it carefully and place it somewhere respectful, for example, on the table in front of you or in a card holder.
  - Generally speaking, business meetings in Afghanistan are somewhat unstructured and open to variation. Afghans take a more relaxed approach to start times, topics for discussion and length of meetings. In addition, it is not uncommon for others to walk in and out of the meeting or for your Afghan associates to take phone calls during business discussions.
  - The negotiation process in Afghanistan is one based on building strong relationships and establishing company benefit. Forging a deal with your Afghan counterparts will take time and persistence, since Afghans generally negotiate using a bartering system that relies on a stronger and weaker party being involved.
  
- **Afghan business etiquette (Do's and Don'ts)**
  - DO shake hands with your Afghan colleagues when arriving and leaving business discussions. Should an Afghan place their right hand over their heart after shaking hands, it is appropriate to reciprocate this gesture. When greeting a female colleague however, you should always wait for her to initiate the handshake.
  - DO show respect towards your Afghan business associates by taking a sensitive approach to proper behaviour and cultural gestures. Using the left hand to pass something to an Afghan, for example, could bring shame to the individual and should be avoided.
  - DO dress suitably and in a conservative manner. This is especially important for businesswomen, who must wear modest clothing that covers the arms and legs in particular. A headscarf is also advisable.
  - DON'T correct or criticise your Afghan associates in front of other business colleagues, as this may cause embarrassment and harm the individual's sense of honour.
  - DON'T inquire too much about a male colleague's wife or female relatives during initial business introductions. To a traditional Afghan male, this is not considered a topic for public conversation but rather a private matter and as such could be taken offensively.
  - DON'T be surprised if during business conversation your Afghan counterpart stands closer to you than usually acceptable. An Afghan's sense of personal space is less compared to most westerners.

### **Afghanistan Culture Quiz - true or false**

1. During the holy month of Ramadan, foreign visitors to Afghanistan are not permitted to eat, drink, smoke or chew gum in public.
2. If you are unable to accommodate the needs of your business associates it is best to refuse them with a direct answer.
3. When meeting your Afghan counterparts for the first time, direct eye contact between men and women should generally be avoided.
4. If attending an Afghan wedding, you should wrap your gift in the colour green.
5. In Afghanistan, one conducts a business meeting in order to collect ideas and discuss future possibilities.

### **Cultural Quiz - Answers**

1. True. Although visitors are not required to fast.
2. False. Responding in an indirect way that shows an effort will be made is usually more appropriate, for example "I'll see what I can do".
3. True. Even between men, this exchange should not be prolonged.
4. True.
5. False. In general, business meetings are convened so that you may exchange information and finalise decisions that have already been made.