

ENTREPRENEURSHIP: A FEMALE LIVELIHOOD SURVEY - MOGADISHU, SOMALIA.

Kimeu Muindi B.A, Msc.

Lecturer, Department of Entrepreneurship and Project Planning Management
School of Business & Economics
Moi University – Box 3900, 03100, Eldoret – Kenya.

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Abstract – The survey research undertaken in Kaaran and Elasha locations in Mogadishu, Somalia. 275 respondents were from Kaaran and 250 respondents from Elasha, 8 respondents did not indicate their location. Out of the respondents 45% were male and 50% were female. 3.6% of the respondents were aged below 20 years, 32% were aged between 31-40 years, 36% were between 41-50 years and 10.5% were above 50 years. Cronbach alpha coefficient was used to test for reliability of the research instrument and the result was (.812). The Pearson Product Moment Correlation Coefficient (PPMCC) and the Mean was employed in inferential analysis with $p = 0.929$. SPSS 21.0 was used. It was observed that most respondents from both location are drivers especially men, Casual Laborer, fishing and hawking of house ware goods and cosmetics by women as their main source of livelihood income. The respondents felt that there was a lot of contribution of business to the development in the lives of women with 228 respondents while 120 respondents did not know of any contribution.

Keywords: Micro-Small Enterprises, Female Entrepreneurs, Livelihoods, Wealth creation, Somalia, Africa.

Background & Introduction

Somalia has been engulfed in a civil war for over a decade. “The impact of state failure on human development in Somalia has been profound, resulting in the collapse of central state institutions, the destruction of social and economic infrastructure and massive internal and external migration” (UNDP/World Bank Somalia, 2003). As a result, Somalia is one of the poorest countries in the world. It is estimated that in 2003 over 43% of the country’s population lives in extreme poverty (defined as individuals living on less than one US dollar a day) whilst over 73% of the population live in general poverty (defined as individuals living on less than two US dollars a day).

Despite the long years of absence of a central Somali state and its financial, economic and social institutions, combined with other challenges, the traditional Somali spirit of entrepreneurship remains strong and the private sector resilient and robust. Indeed, the private sector has managed to grow impressively in the decade since the onset of the civil war, particularly in the areas of trade, commerce, transport, remittance services and telecommunications, as well as in the primary sectors, notably in livestock, agriculture and fisheries.

The private sector now provides a host of services, including those traditionally provided by the state such as power, telecommunications, water and education. Various economic sectors are now, however, becoming either stagnant or their growth is hindered due to the lack of investment, insufficient human resources and the absence of a relevant legal and regulatory framework to enforce rules and regulations, common standards and quality control. A notable example is the various bans on livestock exports to Arabian Gulf that have hindered the sector in previous years.

Kaaran and Elasha districts are found in Mogadishu, also referred to as the Benadir Region, in the capital of Somalia. The city is divided into 16 districts, each governed by a district commissioner. The districts are: Dharkenley, Wadajir, Waberi, Daynile, Hodan, Hawlwadag, XamarJabjab, Xamarweyne, Wardhigley, Bondhere, Shangani, Shibis, Yaqshid, Cabdicasis, Karan and Heliwa. The Federal Government (FG) has its headquarters in the city, in Howlwadaag and a mayor appointed by the Federal Government to govern the city.

In the late 1990s, in an attempt to bring a semblance of order back to the region, Islamic courts in Mogadishu formed an alliance that coalesced into the Islamic Courts Union (ICU). The ICU enjoyed enthusiastic support

from the business community. It was later ousted, in 2006, by the TFG and Ethiopian troops, eventually splintering into different factions out of which emerged the Al Shabaab. In August 2011, TFG (Transitional Federal Government) forces, in a joint operation with AMISOM, Kenya Army troops and a contingent of Ethiopian forces, launched an offensive against Al Shabaab and have reportedly managed to liberate almost all of Mogadishu.

At the time of writing, Al Shabaab was said to have been pushed to the periphery of the city as the offensive continued. The group's tactics have also changed, and they now utilize a more guerrilla-like strategy of suicide attacks, assassinations and roadside bombs. Several powerful individuals are reported to control their own clan affiliated militia groups, contributing to ongoing security concerns, as well as protection and 'gate-keeping' dilemmas for local communities.

Study Area

Karan Location

Karan is the largest district in Mogadishu and reported to have the largest number of returnees as well, UN-OCHA, 2012. Although some parts have come under the control of the FG since August 2011, there are still parts that have not been liberated from Al Shabaab, as a result of which there are still skirmishes between them and FG/AMISOM forces. In addition, there are clan tensions in a struggle for control of the district, UNDP-WB, 2007 and the clan militias are therefore an additional source of insecurity. Consequently, civilian presence in the streets is more subdued due to uncertainty about the security situation.

The business sector has been affected by the presence of Al Shabaab, and it is still struggling to recover. Although some NGOs provide humanitarian assistance to the inhabitants, none of them is based there.

Elasha Location

Elashahas been under Al Shabaab control for the last four years, and only as recently as March 2012 were many parts of the district liberated by FG/AMISOM troops. It is reported to be one of the districts that have experienced some of the heaviest fighting between 2007 and 2012 and with the largest population of Internally displaced people (IDP) in Mogadishu, UNDP, 2005.

The district acts as a route connecting central Somalia to Lower Shabelle, and has therefore experienced a lot of IDP movement. However, not many of them are settled here due to the fighting, and there are only about nine IDP settlements. The main group occupying the district is the Habargidir sub-clan of Hawiye, followed by the Abgaal. There is minimal NGO presence although they do come in to provide humanitarian assistance during disasters.

Purpose of the study

To carry a market survey of two markets in Mogadishu and give recommendations on viable possible businesses opportunities for women

Economic context

Somalia's economic sectors vary significantly in terms of their level of development, size and growth. Somalia's economy is heavily dependent on livestock and agriculture. According to World Food Programme estimates, stock rearing is practiced throughout the country and contributes to about 40% of GDP and 65% of export earnings (2000). Bananas comprise Somalia's primary agricultural export, most of which are grown in farmland that lies between the Jubba and Shabelle rivers in the south of the country. Manufacturing in Somalia is extremely limited and is generally confined to agro-processing. Somalia's service sector has grown with the emergence of the remittance and telecommunication sector. (FSNAU, 2011)

Despite evident challenges placed on the economy arising out of a continuing civil war and absence of central government, Somalia's economy has performed relatively well in the last several years. Growth has been generated

by the strong private sector that has spurred growth in livestock and agricultural sectors, and in the remittance and telecommunications sectors (FAO, 2012). However, a number of factors have served to significantly constrain economic growth and development over the last decade. In the early 1990s, large imports of food aid and the disruption of traditional rural-urban commercial networks grossly distorted Somalia's goods markets. In the first half of 2001, inflation rose dramatically throughout the country as a result of injections of foreign-printed currency (UNDP, 2011)

More recently, a number of factors continue to hamper Somali economic development and growth. In 2001, Somalia's economy contracted because of a series of bans on livestock imports imposed by Saudi Arabia and other Gulf states. A ban on the export of livestock to Saudi Arabia is still in place and continues to hamper the country's economic development (UNDP, 2011).

The Somali economy has also been adversely affected by a deficient financial sector that has been prone to instability (DFID, 2012). There is a general lack of credit and other financial services in the Somali economy. Further, the country's vibrant remittance sector, the only functioning component of the financial sector, has been put under intense pressure since the closure of Barclays remittance account and impact on Somali remittances and the ongoing Dahabshiil court battle with Barclays Bank, which resulted in the loss of significant amounts of funds on the part of businesses and individuals.

RESEARCH DESIGN AND METHODOLOGY

2.0 Introduction

This section outlines on research design, target population, Sampling procedure, Sample size, Data collection, Data analysis and presentation, validity and reliability of the study and Ethical considerations.

2.1 Research Design

The research design employed was descriptive survey. According to Mugenda and Mugenda, (2003), survey design is used to obtain a description of a particular perception about a variable and take their views to represent those of a population.

2.2 Target Population

(Based on estimates only. There no current statistics the we could rely on,
The targeted group of this study is the business owners in Karaan and Elasha locations in Mogadishu. It covered the trading and service businesses that are both regulated by the Municipal licensing board and also unregulated/informal. The targeted population of 525 business owners' operating trading and service small and medium enterprises in Karaan and Elasha locations and have run for a period not more than five years. The study target population will be from the two sectors as shown in the table below.

Table i: Target Population

Type of Business	Number of Businesses
Trading	375
Service	150
Total	525

3.3 Sampling Procedure and Sample size

3.3.1 Sampling Procedure.

The population will be divided into strata's i.e. trading and service then simple random sampling will be used to get the samples. Simple random sampling will be used to give all women owners' equal chances of being selected so that data are representative of the population. The following formula will be used to determine the sample size:

$$n = \frac{Z^2(pq)}{d^2} \quad (\text{Mugenda and Mugenda, 2003})$$

Where: n =desired sample size
 z = standard normal deviate at the required confidence level.
 p = proportion in target population estimated to have characteristic being measured.
 $q = 1-p$
 d = maximum error of estimation

Since the target population is less than 10,000, a final sample estimate will be calculated using the following formula:

$$n_f = \frac{n}{1+n/N} \quad (\text{Mugenda and Mugenda, 2003})$$

Where: n_f = the desired sample size (when population is less than 10,000)
 n = the desired sample size (when population is more than 10,000)
 N = the estimate of the population size

Since there is no estimated proportion in the target population assumed to have the characteristics of interest, 50% will be used as recommended by Mugenda and Mugenda. (2003)

$$\text{Therefore; } n = \frac{(1.96)^2(0.50)(0.50)}{(0.05)^2} = 384$$

$$n_f = \frac{384}{1+384/203} = 133$$

The sample size to be used then is 133 respondents. But we exceeded this by 392 a over 200% percentage success. This can be attributed to the fact that moderate peace has returned to these two locations and as such more and more members of the population are engaging in gainful activities as opposed to fanning violence.

3.3.2 Sample Size

The sample was of all business owners in Karaan and Elasha Locations, a sample size of around 525 businesses was taken using stratified sampling to present the population keeping in mind the different business segment and period of operation involved. This sample will be representative of the population so as to make suitable inferences.

3.3.3 Sampling Frame

The researcher planned to take a sample frame of SMEs in Karaan and Elasha Locations drawn from the business association was non-existence. The sample size was arrived at through stratified random sampling of the two types of business at a distribution of 65.5% of the population as shown in the table below.

Table ii: Sample Distribution

Type of Business	Population	Sample Distribution	Sample Size
Trading	506	65.5%	375
Service	203	65.5%	150
Total	709	65.5%	525

3.4 Data Collection Instruments

In this research work data was collected with the help of a structured questionnaire for the entrepreneurs from the Karaan and Elasha markets. Consequently, the questionnaire was modified suitably and a set pattern of question was emphasized through the questionnaire as well as in the in-depth interviews. The survey was overseen by the consultant – team leader and the Somali staff. Enumerators were hired to conduct the survey. In total, 12 enumerators were hired; only 3 had previous experience administering a questionnaire surveys - 6 enumerators were male and 6 were female.

The minimum selection criterion was: (1) secondary school education, (2) fluency in English and Somalia and (3) a gender balance. The enumerators underwent 1 day of training on ethics, research methods and the questionnaire used. The Survey Team – specifically, the consultant and the translator – oversaw the quality control and ensured all filled questionnaires collected in the field underwent a quality check before data input took place.

3.5 Data Analysis Procedures

Simple statistical tools were used in this study to analyze and interpret the data collected from the field. To facilitate analysis, the data collected in the serialized questionnaires was first coded before being entered into the computer. All the variables were defined and the SPSS statistical package was used for analysis. The researcher used both descriptive and inferential statistics to analyze the data. Descriptive statistics are a means of organizing and summarizing the data. They provide an overview of the general features of the data. In descriptive statistics was presented in form of frequency tables, percentages and bar graphs. Descriptive statistics enabled the researcher to summarize data and describe the sample distribution of the statistics. Chi-Square test ¹was used to test the hypothesis at 95% confidence interval.

Limitation and Source of the Study Bias

The following were the challenges that influence data collection:

- a) **Security:** Insecurity was a major limitation during the collection of the data in the field due to the prevailing fighting, especially within and surrounding Mogadishu. The researcher relied on the selected enumerators by the field staff to collect the data. Quality control could only be performed remotely, due to the security situation
- b) **Data collection bias:** The fieldwork supervision was undertaken by the Somali staff while the consultant undertook key informant interviews whilst enumerators carried out the actual field data collection due the insecurity in Mogadishu. There was no opportunity to undertake a joint testing of the tools. The quality of the data collected depended on the experience of each enumerator.
- c) **Language Barrier:** Some data collection in was undertaken through the interpreter. This could have introduced a bias although precaution was undertaken to ensure this bias was minimal if any.

Discussion of Findings, Interpretation and Conclusion

Characteristic of the respondents

The research was taken from Kaaran and Elasha locations in Mogandishu, Somalia. 275 respondents were from

¹ The Pearson [Chi-square](#) is the most common test for significance of the relationship between categorical variables. This measure is based on the fact that we can compute the expected frequencies in a two-way table (frequencies that we would expect if there were no relationship between the variables. The information in this study was qualitative that was organized into categorical data in order to generate frequency tables and Chi Square values during the hypothesis testing (Mugenda and Mugenda, 2003).

Kaaran and 250 respondents from Elasha, 8 respondents did not indicate their location. Out of the respondents 45% were male and 50% were female. 3.6% of the respondents were aged below 20 years, 32% were aged between 31-40 years, 36% were between 41-50 years and 10.5% were above 50 years

Sources of income

Table 1: Business Income Sources

Business	Income Sources 1	Income Source 2	Income Source 3	Income Source 4	Income Source 5	Income Source 6	Income Source 7	
Driver	317	69	13	17				416
Casual Laborer	83	268	27		3			381
Fishing	67	59	225	14		3		368
Hawking	20	59	120	189			3	391
Washing Clothes	19	14	47	53	86	5		224
Selling Milk			18	54	32	63	10	177
Selling Miraa	4	6	4	62	45	17	37	175
Selling Handicrafts	6			21	9	71	22	129
Livestock Herding		15		5	34	15	31	100
Selling Charcoal		2	31	9	37	8	15	102
Agriculture		5	15	28	17	6	47	118
Others	3							3
Total	519	497	500	452	263	188	165	
Missing	14	36	33	81	270	345	368	

It was observed that most respondents from both locations were drivers, Casual Laborers, fishing and hawking as their main source of livelihood income. However, all the key informants regarded Miraa as the major source of businesses primarily involving women. Miraa selling was considered safe and the women are able to access it on credit. Selling of fuel in jericans was also identified to be lucrative although it was not identified as a major source of income through the survey.

Table 2: Location and Income Source Cross tabulation

	Income Source										
	Driver	Casual Laborer	Fishing	Hawking	Washing Clothes	Selling Milk	Selling Miraa	Livestock Herding	Selling Handicrafts	Selling Charcoal	Agriculture
L Kaaran	319	194	193	198	126	92	97	63	87	49	82
o Elasha	197	187	175	193	98	85	74	37	42	53	36
c											
a											
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i											
o											
n											
Total	516	381	368	391	224	177	171	100	129	102	118

Table 3: Business Livelihood Problem

	Livelihood Problem 1	Livelihood Problem 2	Livelihood Problem 3	Total
Insecurity	450	26		476
Displacement	41	164		205
Lack of Shelter	10	85	124	219
Lack of Clean Water	5	83	42	130
Health and Nutrition	2	104	82	188
Lack of Rain		5	25	30
Lack of Credits\Loans		15	49	64
Lack of Remittances		3	77	80
Lack of Jobs		33	46	79
Distance to job		14	28	42
Lack of Skills	24		38	62
Total	532	532	511	1575
Missing	1	1	22	
	533	533	533	

The respondents felt that the main livelihood problems faced by people in the community as Insecurity, displacement and lack of shelter as first second and third respectively. Displacement in Elasha is high as compared to Karaan since Elasha residents are mostly internally displaced people. All the key informants agreed insecurity to be the major challenge as both communities still have presence of Alshabab. Women from Karaan are not allowed to conduct business in Elasha unless full covered whilst women in Elasha can move into Karaan and be able conduct business.

Table 4: Livelihood Problem Cross tabulation

	Livelihood Problem											Total
	Insecurity	Displacement	Lack of Shelter	Lack of Clean Water	Health and Nutrition	Lack of Rain	Lack of Credits/Loans	Lack of Remittances	Lack of Jobs	Distance to job	Lack of Skills	
Location Kaaran	243	94	101	90	96	17	36	47	36	19	37	816
Elasha	233	111	118	40	92	13	28	33	43	23	25	759
Total	476	205	219	130	188	30	64	80	79	42	62	1575

Business Contribution in women development

Table 5: Contribution on Women development Cross tabulation

	Contribution On Women development				Total
	A lot	A Little	Not at All	Don't Know	
Location Kaaran	119	67	21	54	261
Elasha	109	43	25	66	243
Total	228	110	46	120	504

The respondents felt that there was a lot of contribution of business to the development in the lives of women with 228 respondents while 120 respondents did not know of any contribution which could be attributed to questionnaire administration, most enumerators did not have skills or experience thus could not probe further.

Business impact on alleviating poverty

251 respondents felt the businesses have made a lot of impact on poverty alleviation in household, 46 of them felt there was no impact while 120 did not know if there is any impact again due to low levels of income many could not relate business to poverty alleviation.

Table 6: Impact on Poverty Alleviating Cross tabulation

	Impact on Poverty Alleviating					Total
	Yes A lot	Yes A little	No	Don't Know	No response	
Location Kaaran	147	46	12	2	65	272
Elasha	104	50	15	3	77	249
Total	251	96	27	5	142	521

Use of money from business

It was noticed that the respondents had so many use of the money. 95.7% of the respondents used it for health, 95.9% used it for education, 70.7% on new business 77.3% on infrastructure, 84.6% supporting relatives, 92.3% on house rent, 89.1% on buying food, 94.7% on paying utilities, 82.7% on business premises rent and 90.8% on transport. Those who did not use their money on any of the above said they did not have enough money and that the infrastructure is the work of the district.

The tables below provides further information on the different areas

Table 7: Use of Money from Business

	Frequency	Percent
Valid Yes	511	95.9
No	1	.2
5	4	.8
Total	516	96.8
Missing System	17	3.2
Total	533	100.0

Things that improved in the household

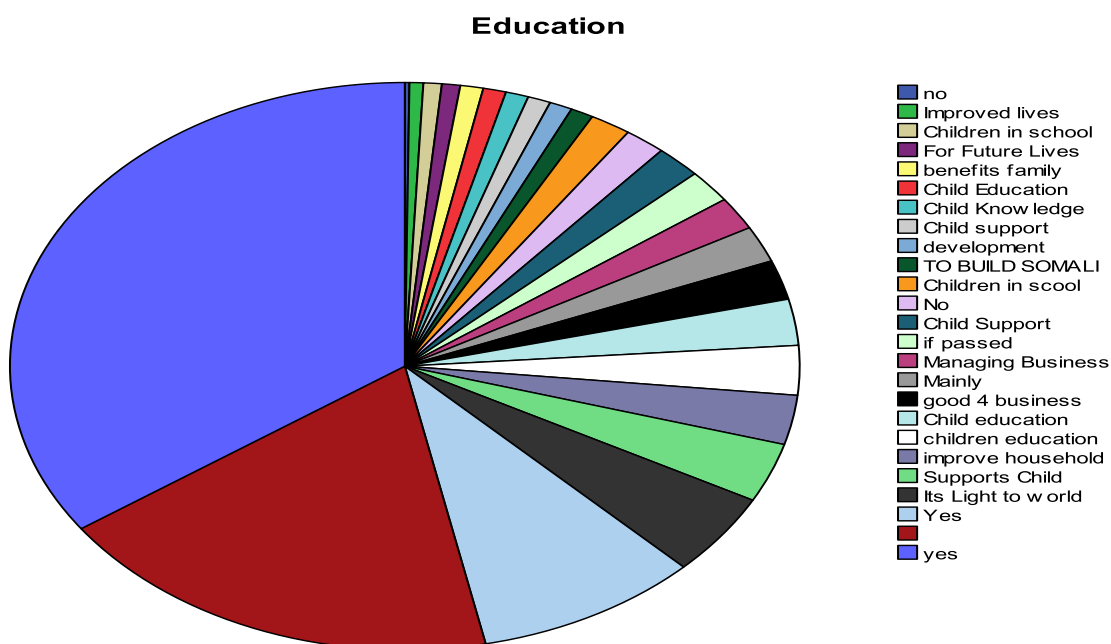


Figure 1: Education Improvement

2% of the respondents thought education has not improved, 18% did not answer while 80% agreed education have improved. They said their children are in school getting knowledge, support that will improve their household development, benefit families and may be used in future to manage businesses.

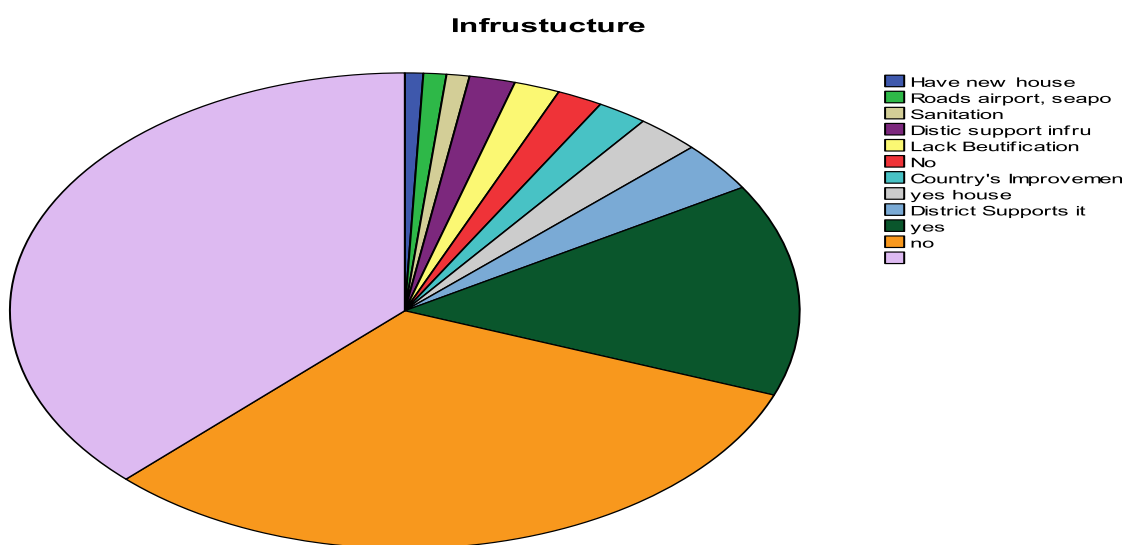


Figure 2: Improved Infrastructure

33% of the respondents felt there were no improvements on the infrastructure, 37% did not answer while 25% there is some improvements on houses, roads since the district supports it but this lacks beautification and 5% said there is need to improve on roads, airports, seaports and sanitation for the development of the country.

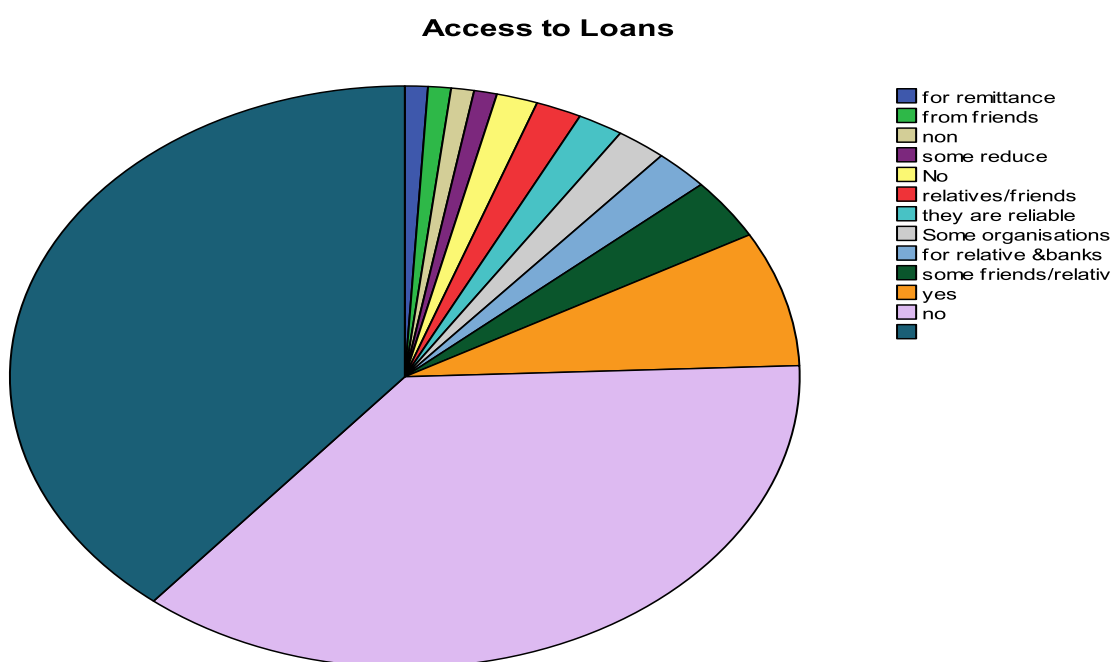


Figure 3: Access to loans

21% believed there is improvement in access to loans since they can get loans from banks and other organizations, relatives and friends, which is reliable, and at reduced interests. 40 % felt there were no improvements in accessing loans especially from the financial institutions and 39% did not answer.

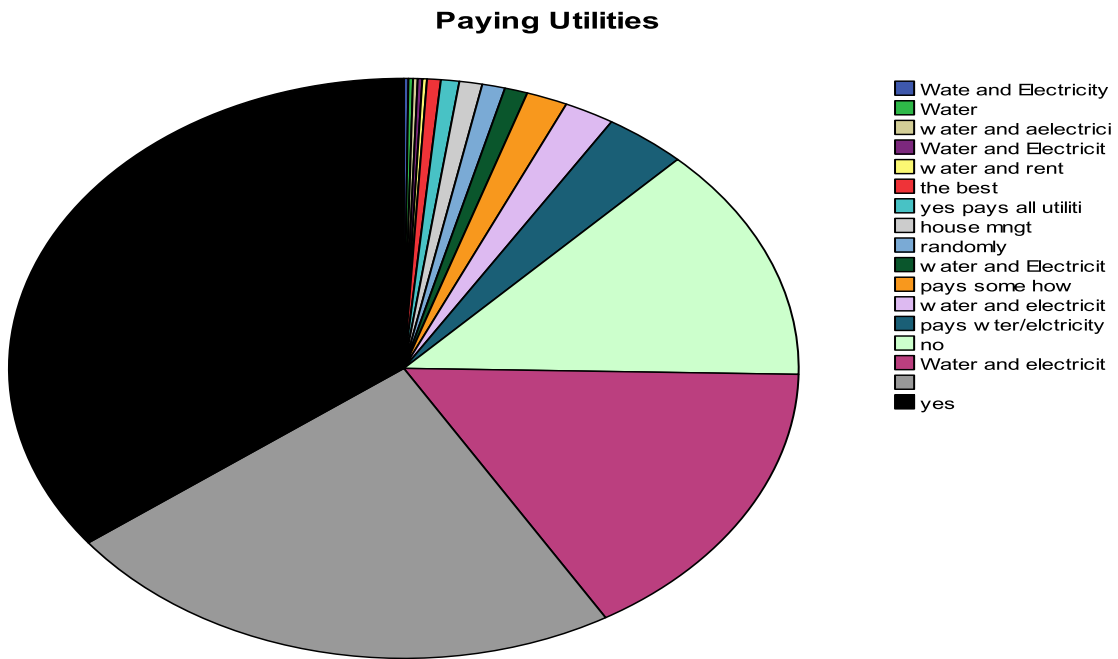


Figure 4: Improved Utilities

64% of respondents agreed on improvements on Utilities saying now they are able to manage their household utilities by paying for water and electricity, 13% did not see any improvements while 23% did not answer.

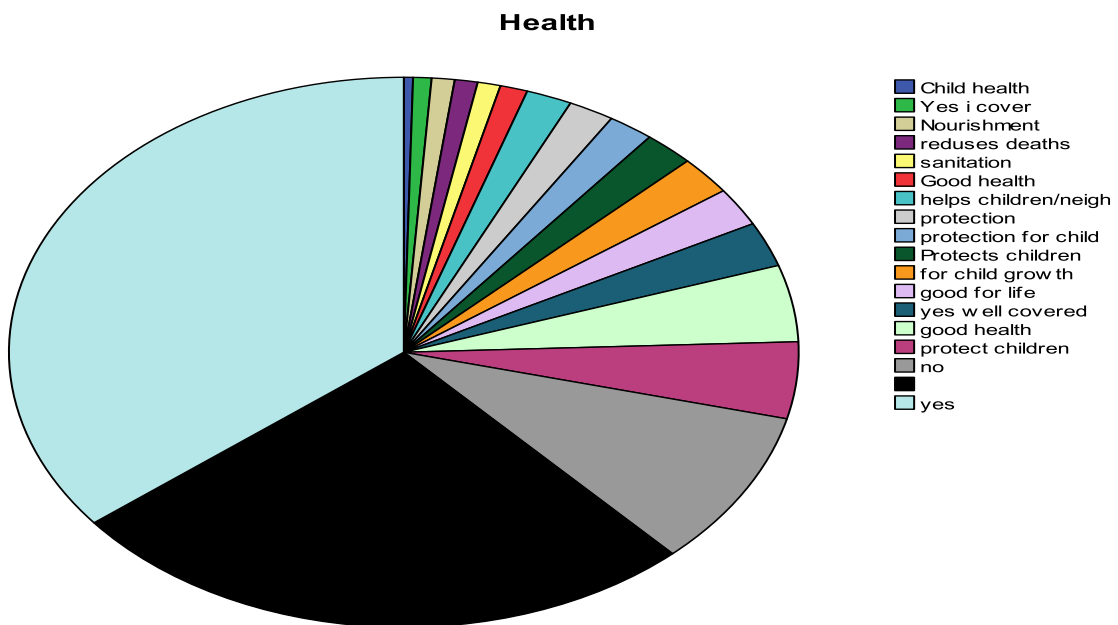


Figure 5: Improved Health

65% of the respondents believed health has improved since they cover for their health and those of their children which protects them giving good life, nourishment and reduces deaths. 9% of the respondents did not see any improvements and 26% did not answer.

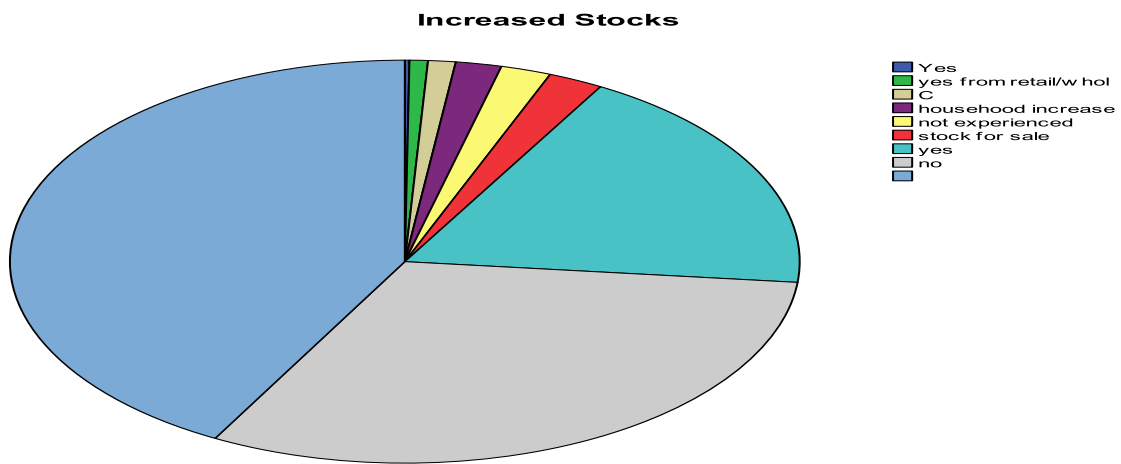


Figure 6: Increased stocks

34% of the respondents did not see any improvements on the stocks, 42% did not answer while 24% felt their stocks have increased since they can buy from wholesalers or retailers and have enough to sell and so improve their household lives.

Future plans

Try New Business

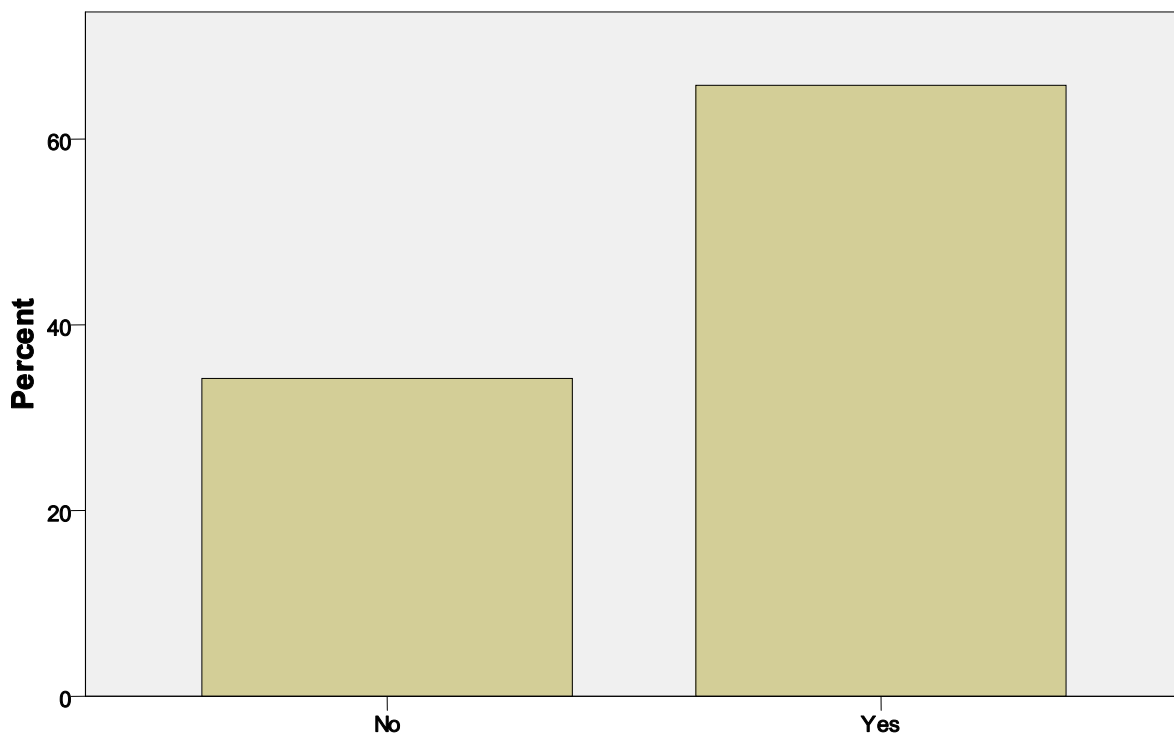


Figure 7: Try new business

34% of the respondents said they could not try anything new since they did not have enough money while 65% said they could try a new business.

Loan Money to friends/Family

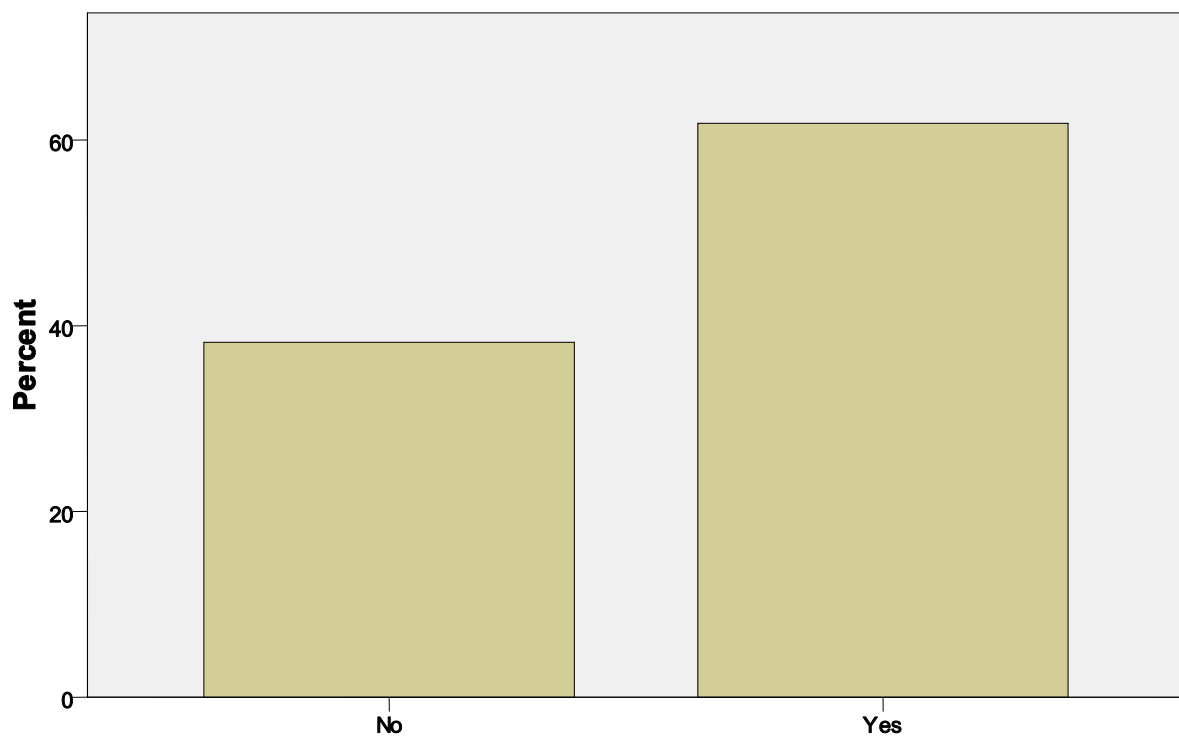


Figure 8: Loan Money to Friends

65% of respondents said they would lend money to friends and relatives as they are the largest source of support to their business while 35% had no plans of lending money to friends and family.



Figure 9: Buying Livestock

65% of the respondents have plans of buying livestock as most of them dealt in milk and meat selling and 28% had no plans on buying livestock.

Business Expansion

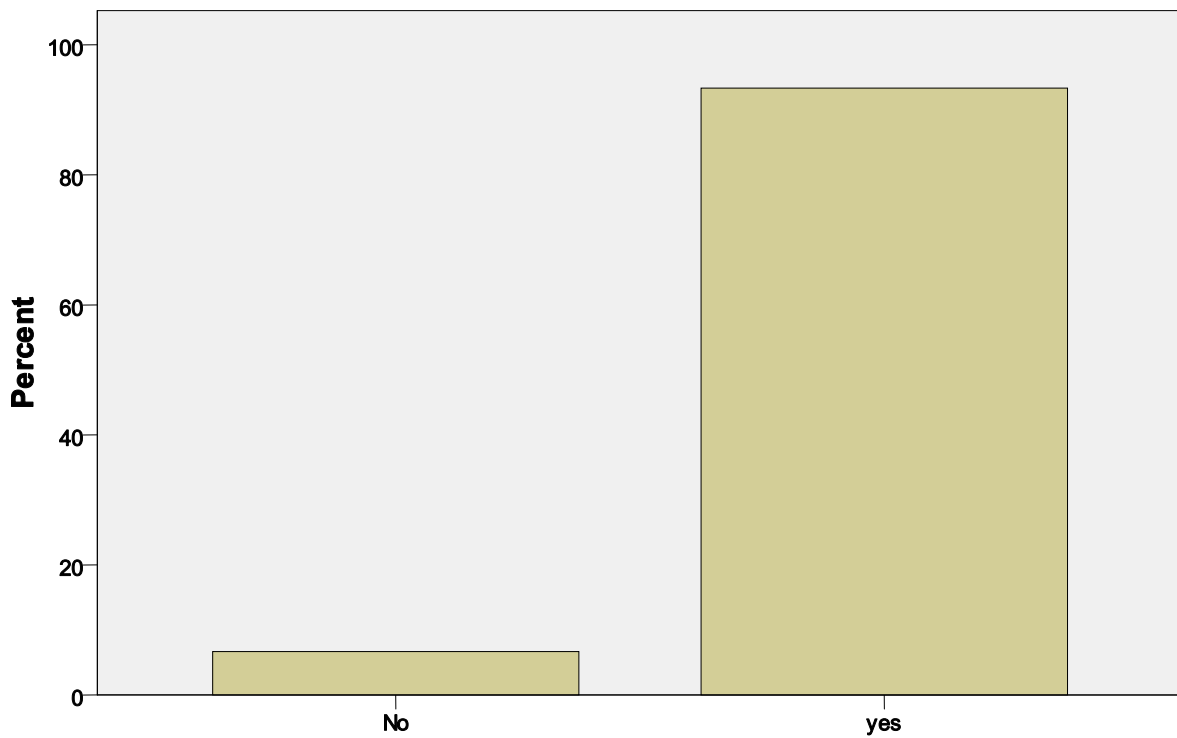


Figure 10: Business Expansion

89% of respondents plan to expand their business as it helps their families while 6% did not want to expand the business saying they did not have enough money to do so.



Figure 11: Buy Property

84% of the respondents plan to buy property in future as most of them are displaced especially in Elasha while 11% did not have plans to buy property saying they did not have enough money.

Contribute to Infrastructure Development

Buy Infrastructure

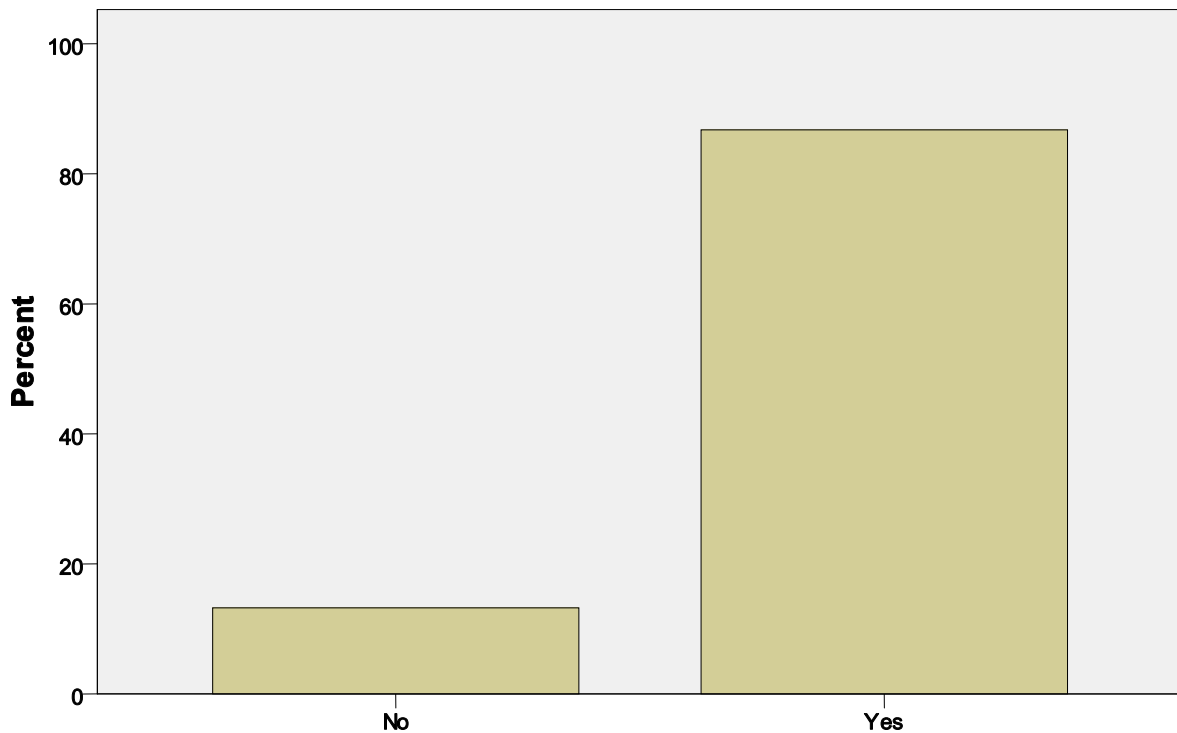


Figure 12: Contribute to Infrastructure Development

12% of the respondents did not plan to buy any infrastructure project as they believed this is government responsibility while 82% had plans to buy infrastructure for communication and doing business as most of the transactions are done through phones.

Invest in Education

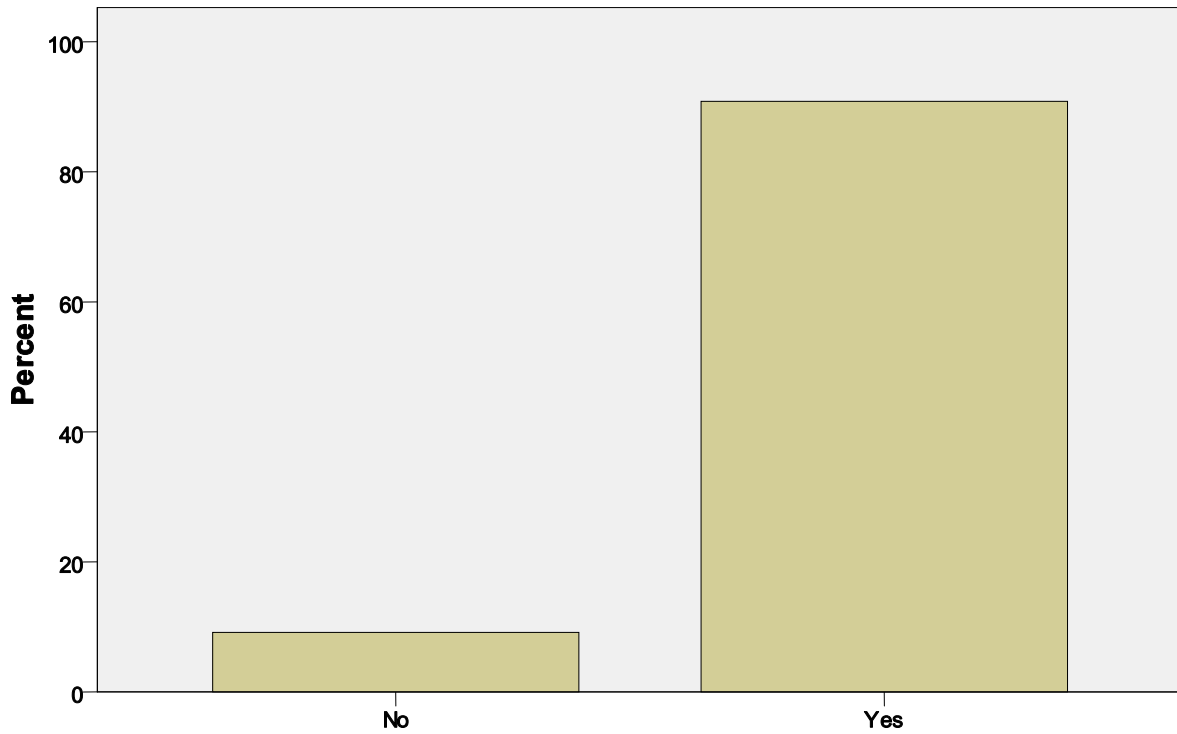


Figure 13: Invest in Education

89% of the respondents prefer to invest in education in future saying it will help them run their business well, give their children good life and helps in the development of the country. 9% of the respondents did not have any plans on investing in education.

Invest in Health

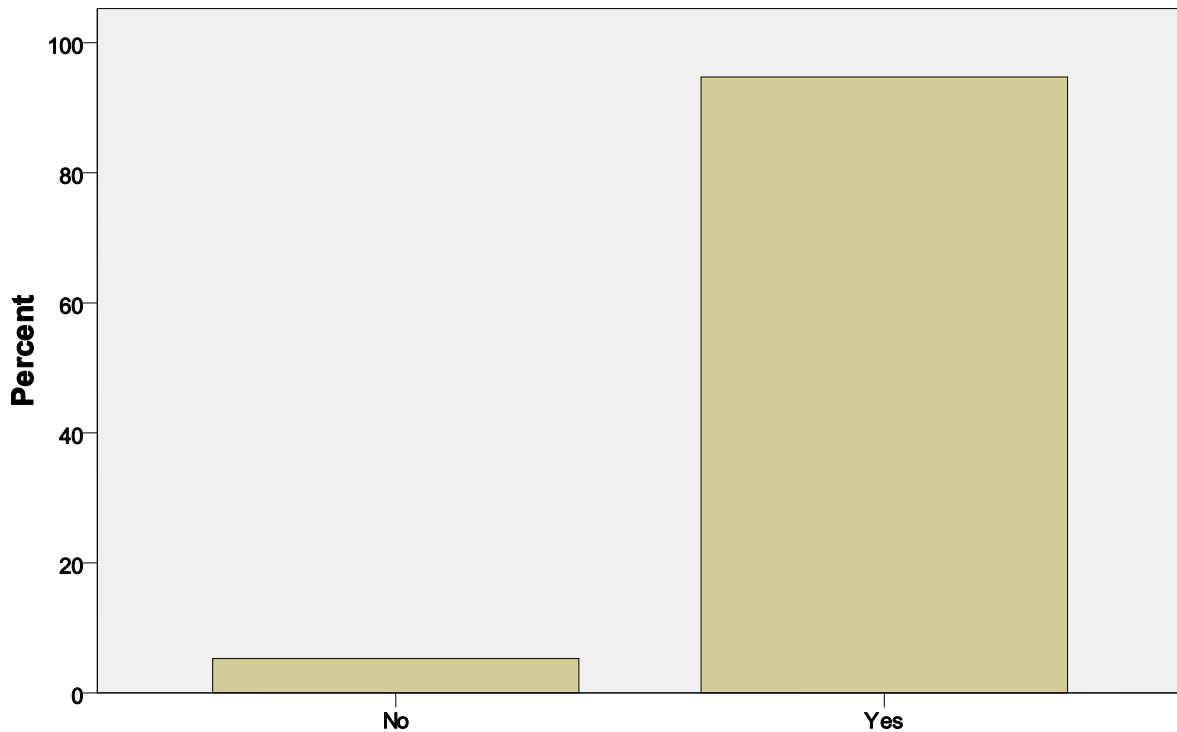


Figure 14: Invest in Health

87% of the respondents believed in investing in health for it reduces children death, improves their lives and country’s development while 5% had no plans to invest in health.

Stakeholders involved in business setup

Figure 15: Family members

43% of respondents would involve their family in business setup as they give the support; mental physical and money, 11% would not involve the family while 465 did not answer.

Immediate family members

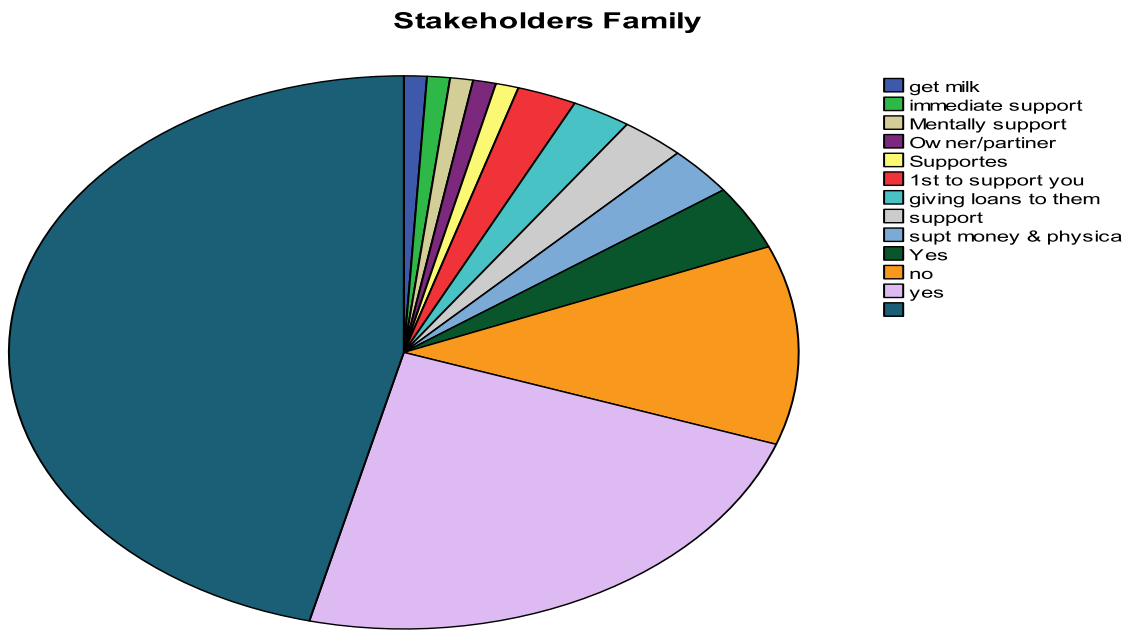
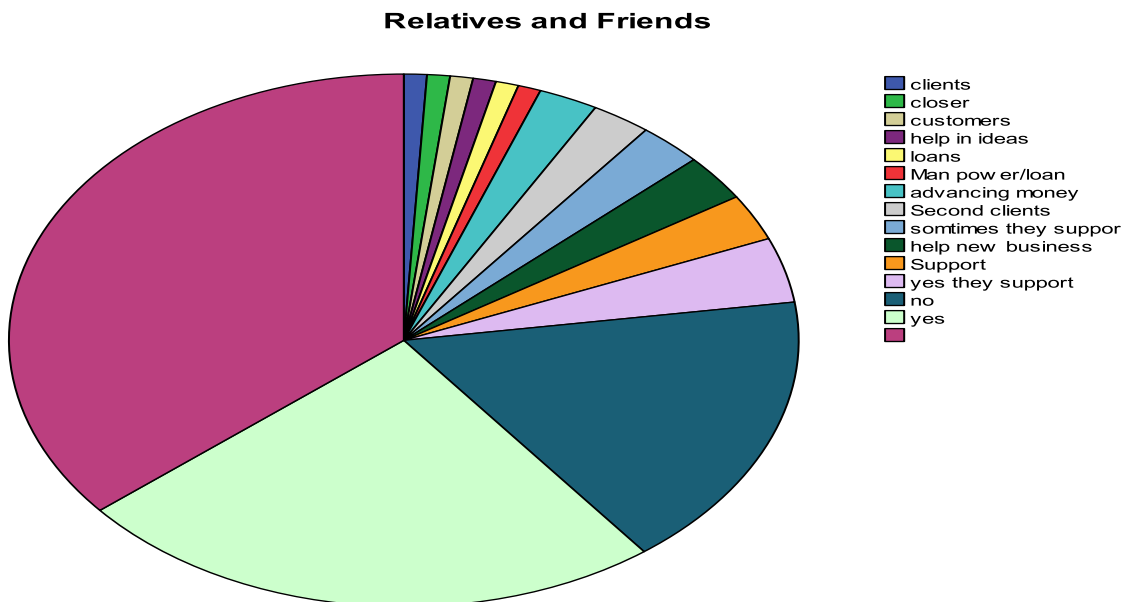


Figure 16: Relatives and friends

48% of the respondents would involve relatives and friends in business setup for they support them financially by giving loans, gives new ideas, manpower and they are their first customers. 16% of the respondents would not involve them while 36% did not comment.



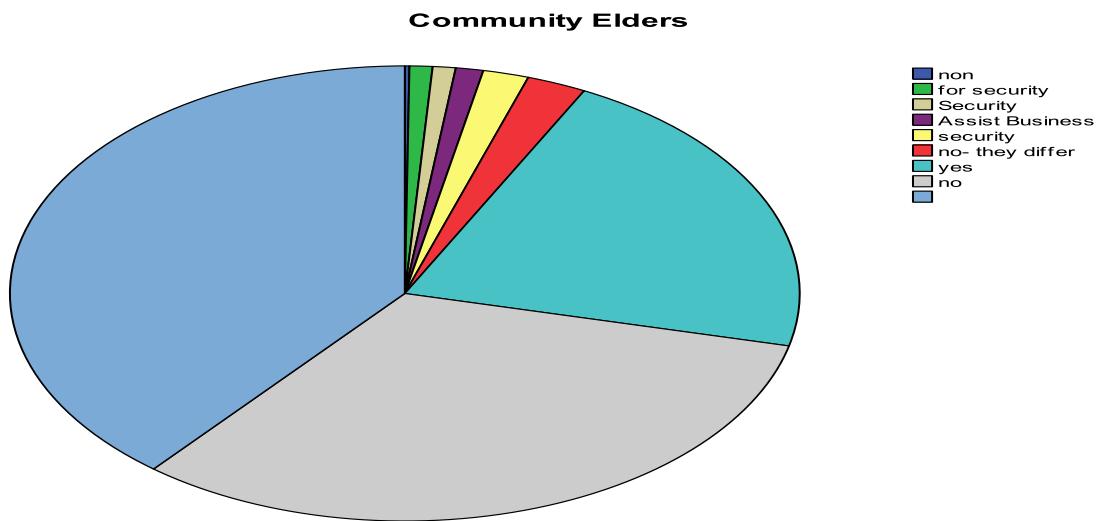


Figure 17: Community Elders

39% of the respondents said they would not involve the community elders in the business setup for it is not necessary and that some differ if there are conflicts as they favor others in lines of clans. 26% said they would involve them for they helped if there were conflicts between business people.

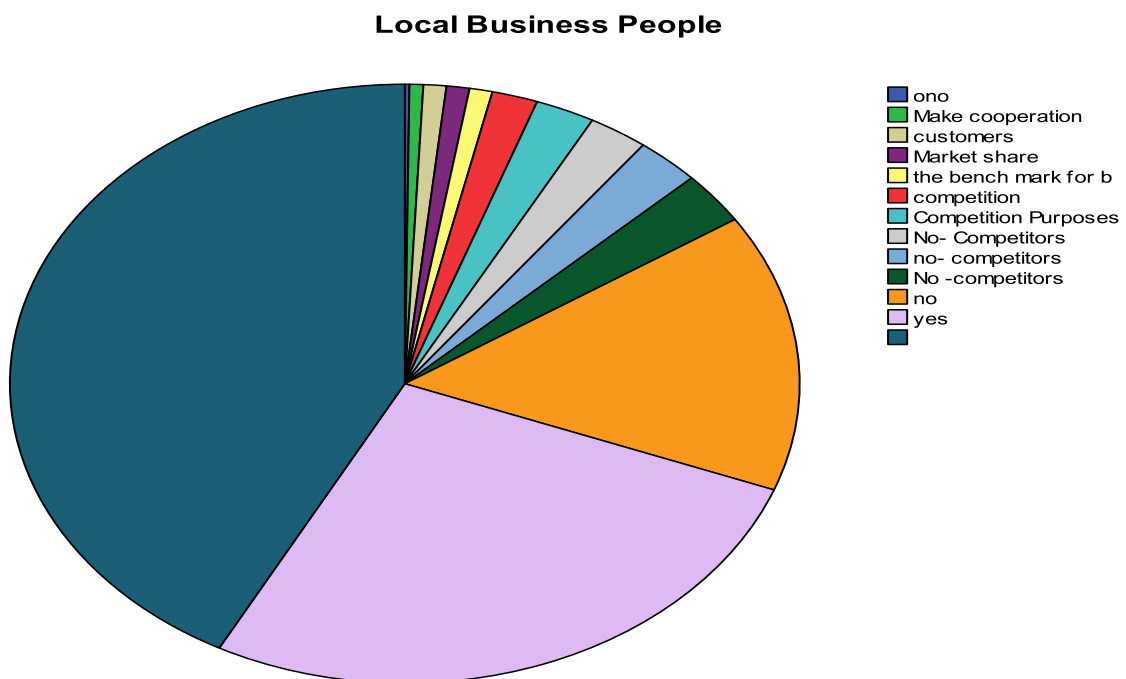


Figure 18: Local Business People

35% of respondents would involve local business people for they believed they can give them advices on their business since they are already in business, they can use their business to gauge if theirs are doing well in terms of market share and profits and they see it as a good market competition. 23% of respondents said they would not involve them for they are their competitors.

Money Lending Institutions

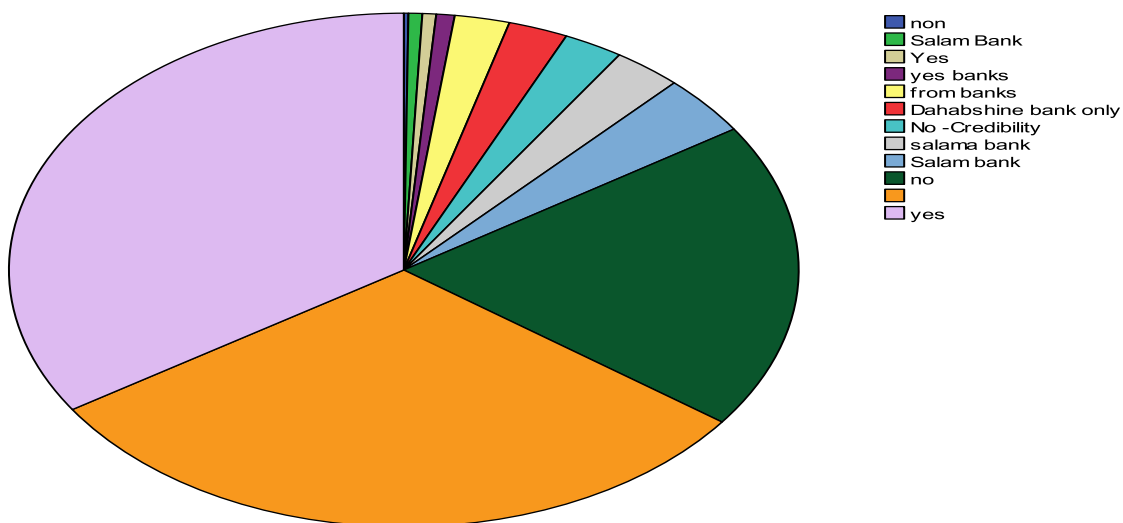


Figure 19: Money Lending Institution

48% of the respondents would involve banks for example Salaam bank and anyother banks that follow the Islamic financefor loans. 22% of the respondents said they would not involve any lending institution for they did not have credibility while 30% did not comment.

Local Markets

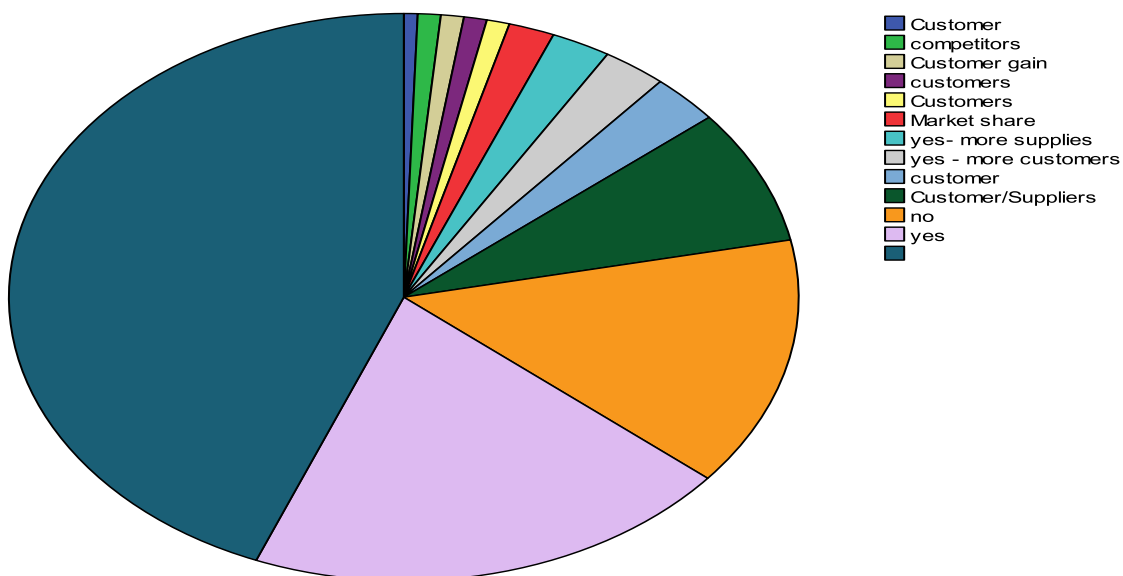


Figure 20: Local Market

42% of the respondents said they would involve the local market for they are their main customers, suppliers and competitors and they need them most. 14% said they will not involve them while 44% did not answer.

Community benefits from business

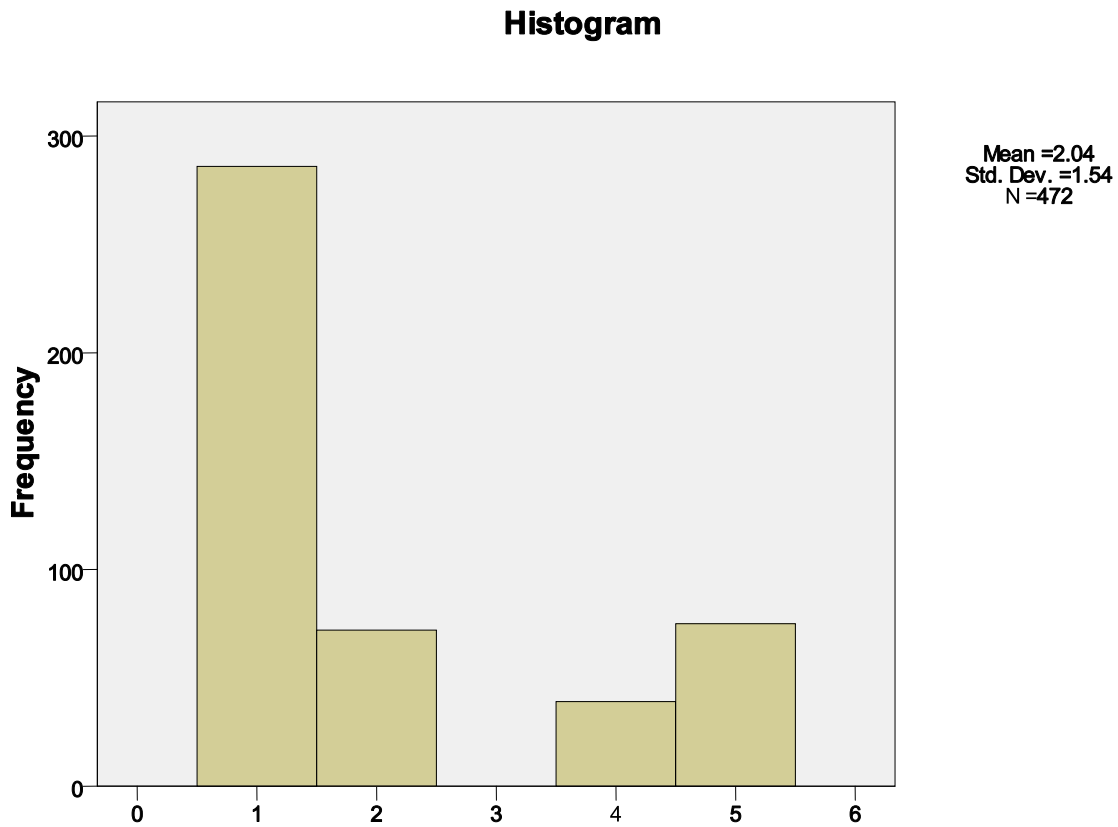


Table21: Community Benefits from Business

286 respondents representing 53.7% of respondents strongly agreed and 73 which is 13.5% of the respondents agreed that the community is benefiting from the business as there are supplies of fresh food e.g milk, fish, meat and vegetables, the businesses are creating social awareness & responsibility, there is ready transport, education and health all which improve their lives. 39 respondents representing 7.5% of respondents strongly disagreed and 75 which is 14.1% disagreed saying there have been conflicts especially at night.

Membership of Local Business group

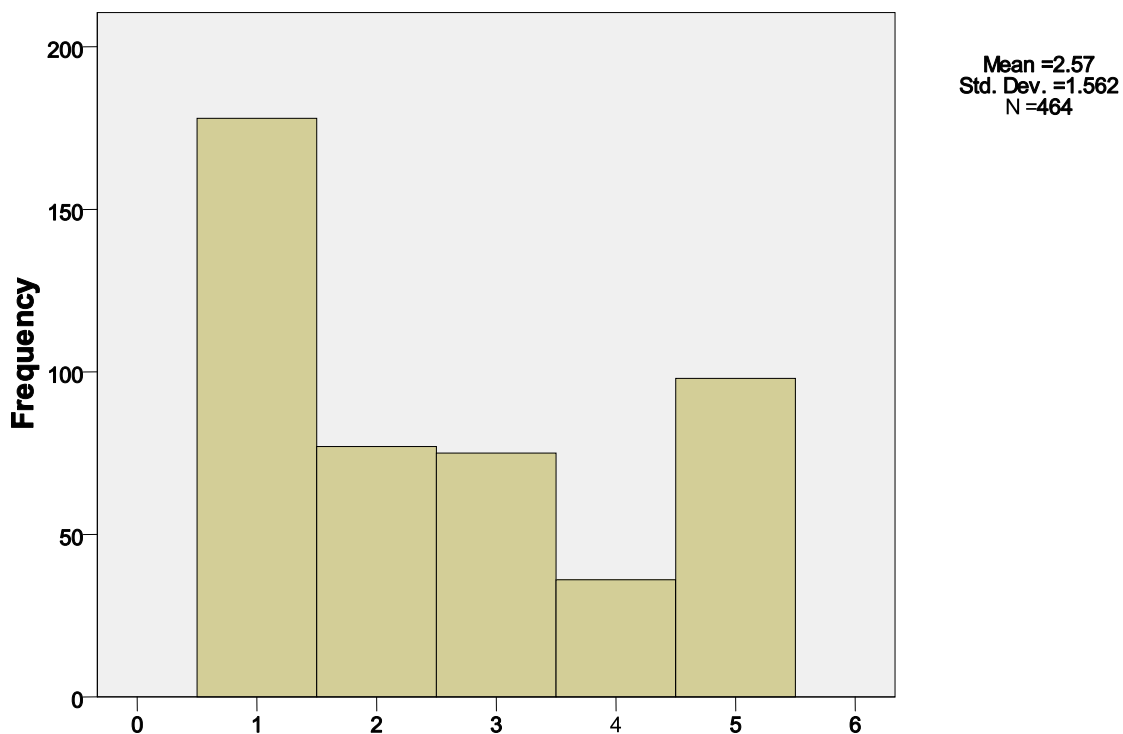


Table 9: Membership in a local group.

178 respondents representing 33.4% of respondents strongly agreed while 77 which is 14.4% of the respondents agreed to be members of a local business group because they believe it helps the business and helps in solving problems that business owners cannot solve. 75 respondents which is 14.1% were neutral on the issue while 36 respondents representing 6.8% strongly disagreed and 98 respondents which is 18.4% disagreed to be members of any group some saying they had no groups in their area.

Business earns More livelihood options

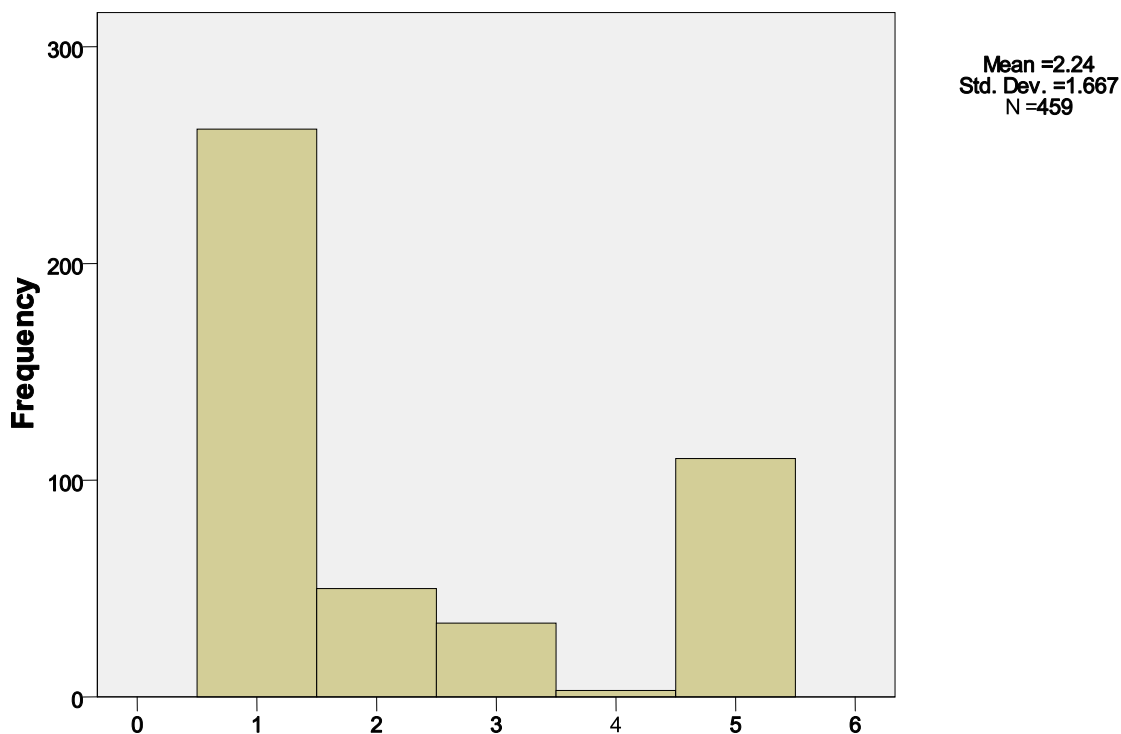


Table 10: More livelihood options

264 respondents representing 49.2% of the respondents strongly agreed while 50 respondents representing 9.4% agreed that business allows them to earn more than other livelihoods option, they said when customers increases, sales increases and so is their livelihood as they are able to support their families. 34 respondents representing 6.4% of them were neutral on the issue while 3 respondents representing 0.6% strongly disagreed while 110 respondents representing 20.6% disagreed arguing sometimes sales are low causing losses and the money can never come back to the business.

Room for Growth in business

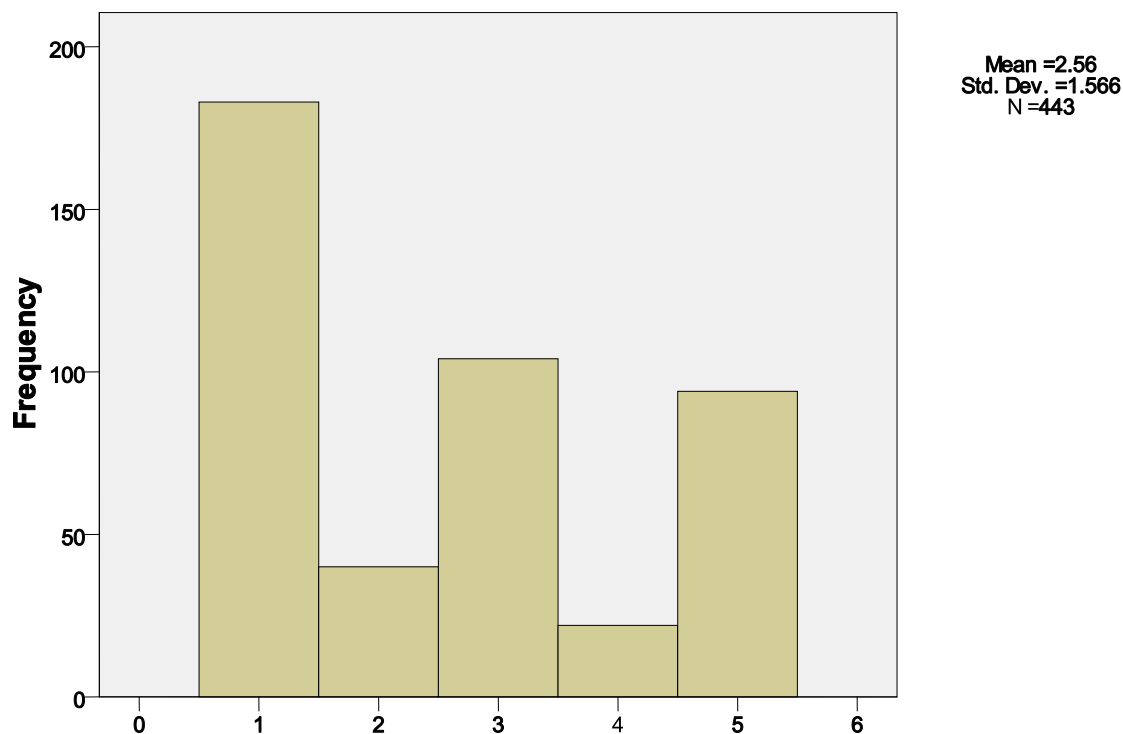


Table 11: room for growth

183 respondents representing 34.3% of the respondents strongly agreed and 40 respondents representing 7.5% of the respondents agreed there is a room for advancement and growth of oneself in the businesses saying they would like their businesses to grow and be inherited by their children. 104 respondents representing 19.5% of the respondents were neutral on the issue since they were not able to answer while 22 respondents representing 4.1% of the respondents strongly disagreed and 94 respondents representing 17.6% of the respondents disagreed on the business growth and advancement saying their businesses were small and had low output for growth.

Utilization of business income by community

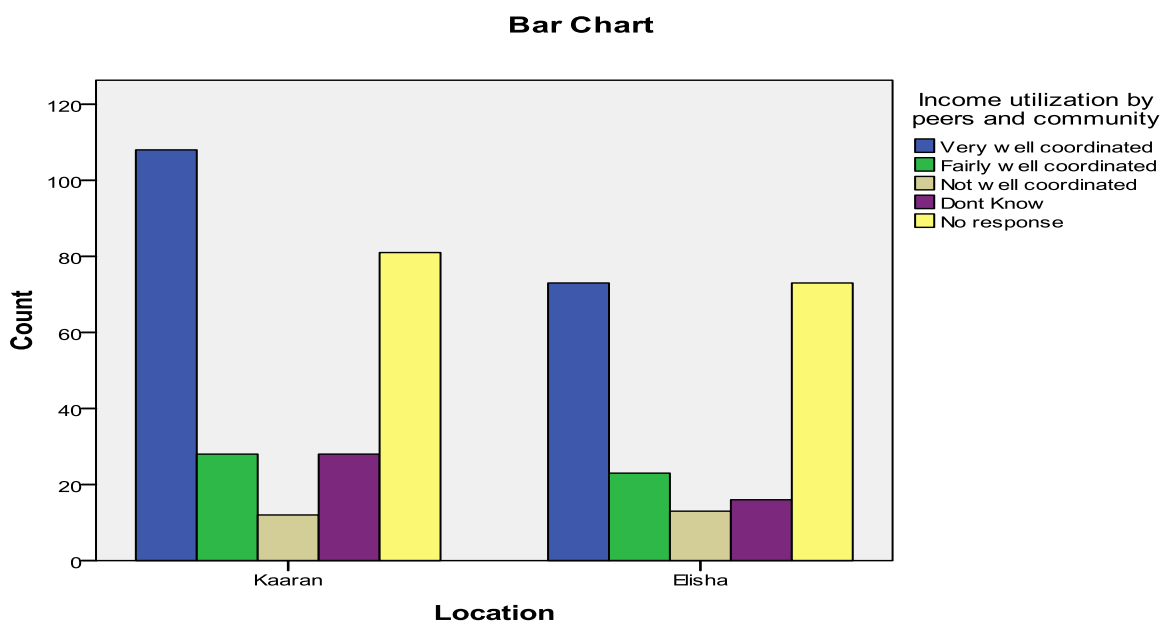


Figure 21: Utilization of business income

181 respondents (108 from Kaaran and 73 from Elisha) agreed the income from business women have been very well coordinated, 51 respondents (28 from Kaaran and 23 from Elisha) said the income was fairly well coordinated, 25 respondents (12 from Kaaran and 23 from Elisha) said the income was not well coordinated, 44 respondents (28 from Kaaran and 16 from Elisha) did not know if the income is well or not well coordinated and 154 respondents (81 from Kaaran and 73 from Elisha) had no response for this question.

Business contribution to improved livelihoods

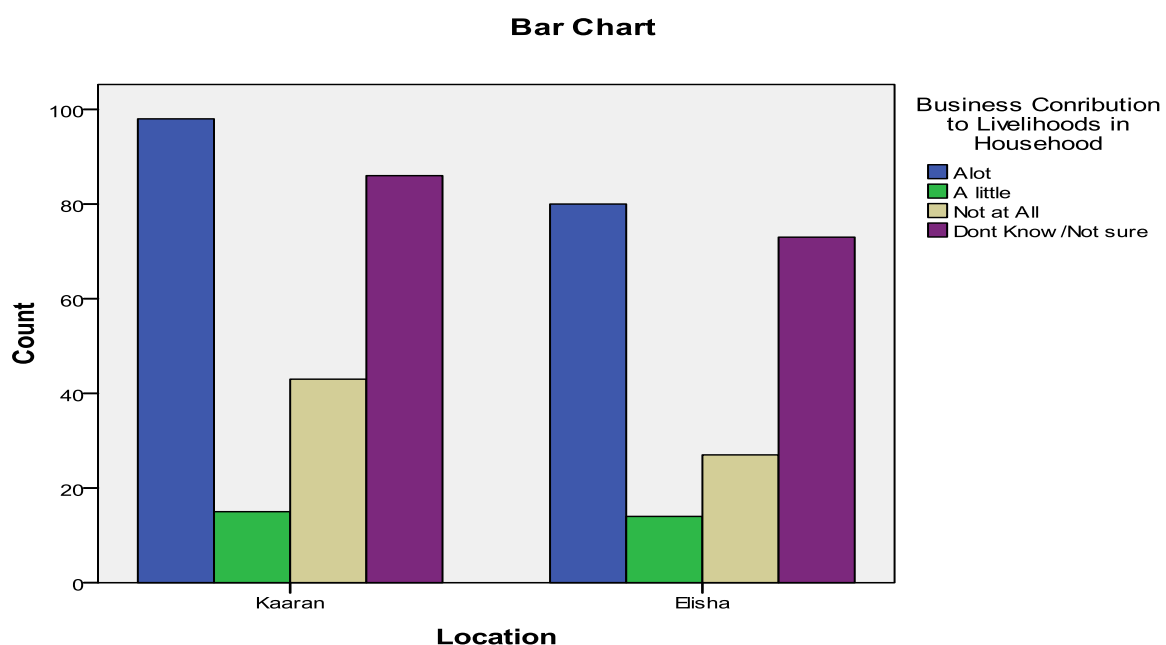


Figure 22: Business contributions

178 respondents (98 from Kaaran and 80 from Elasha) felt that women led businesses had contributed a lot to improved livelihood in households as a whole, 29 respondents (15 from Kaaran and 14 from Elasha) felt these businesses had contributed a little to improved livelihood in households as a whole, 70 respondents (43 from Kaaran and 27 from Elasha) felt these businesses had not contributed at all to improved livelihood in households as a whole and 159 respondents (86 from Kaaran and 73 from Elasha) did not know if there was any contribution by women led businesses to improvement of livelihood in the household as a whole.

Access to informal loans

Table 12: Access to informal loans

	People Access to Informal Loans		Total
	Yes	No	
Location Kaaran	116	105	221
Elasha	90	67	157
Total	206	172	378

On to whether people had access to informal loans, 206 of the respondents said yes people have access to informal loans, with 229 of them saying they get loans from relatives, 77 of them from traditional lenders, 161 of the got from business people, 213 said they got loans from friends and 184 of them got the loans from banks. 172 respondents said they didn't know if people got access to informal loans.

Intention to take a loan

Table 13: Intention to take Loan

	Intends to take a loan in future		Total
	Yes	No	
Location Kaaran	102	101	203
Elasha	115	67	182
Total	217	168	385

When asked if they intended to take a loan in future 168 of the respondents said they had no intentions of taking loans while 217 said they would take loans with 257 respondents preferring to take from relatives, 82 respondents would take from Traditional lenders, 144 would get loans from business people, 210 would take loans from friends and 119 respondents would take loans from banks.

Profitable businesses for youth and women

Table 14: Profitable businesses

Viable Businesses for youth and women		Location		
	Frequency	Kaaran	Elasha	
Miraa	310	153	157	
milk	264	146	118	

Fish	261	170	91
Vegetables	218	111	107
Shop	204	95	109
Meat	164	93	71

The 6 most viable businesses were Miraa selling was preferred more in Elasha than Kaaran, milk selling in Kaaran is more as compared to Elasha, fishing & fish selling was preferred in Kaaran than in Elasha, vegetable selling was more in Kaaran than as compared to Elasha, shop keeping was preferred most in Elasha than in Kaaran and meat selling was more in Kaaran than in Elasha.

Three most viable businesses for women

Table15: Most viable businesses.

Most Viable of the six			Location	
	Frequency	Kaaran	Elasha	
Miraa	161	80	81	
Milk	156	75	81	
Vegetables	128	61	67	

Miraa, milk and vegetable selling were the most viable businesses for women with miraa and vegetable selling preferred most in Elasha and milk selling preferred in Kaaran.

Skills that have been major assistance in your business

Table 16: Skills in the business

	Business Skills		Clan Relations		Ability to read and write		Technical Skills	
	Yes	No	Yes	No	Yes	No	Yes	No
Location Kaaran	183	26	68	139	133	74	75	125
Elasha	156	14	45	125	111	58	94	109
Total	339	40	113	264	244	132	169	234

On the skills that have been a major assistance in the business, business skills was found to be higher in Kaaran and Elasha with respondents citing accounting, management, sales and marketing as some of the skills that helped them to run their businesses. Clan relations seemed not to be embraced as assistance in the business with respondents saying some of the businesses are inherited thus making their clans important to them. Kaaran showed a higher number of people who were able to read and write as compared to Elasha which was of great assistance to their business. On Technical skills the respondents were mentioning on the ability to run their own businesses e.g. fishing, selling shops etc

Skills women lack in business

Table 87: Skills lacked by women

		Business Skills		Clan Relations		Technical Skills		Ability to read and write	
		Yes	No	Yes	No	Yes	No	Yes	No
Location	Kaaran	180	32	47	118	73	102	127	90
	Elasha	139	31	44	117	73	103	101	80
Total		319	63	91	235	146	205	228	170

It was observed that women mostly lacked business skills and ability to read and write with most of the respondents saying women are illiterate as there is no education offered to them and they are soft in dealing with businesses. Women lacked technical skills as they had no selling or marketing skills and they had no clan relations as they would not interact with the clan elders.

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Summary of the findings

The main of the study was to investigate the effect of Micro enterprise businesses on the alleviation of poverty and hunger in Somalia. The study was carried out in Kaaran and Elasha locations. Most of the business people are middle aged with most of them getting their daily income from casual labor, driving, fishing, hawking, selling miraa, selling milk among others.

Conclusions

The main livelihood problems of the people were insecurity, lack of shelter and displacement especially in Elasha location. Businessmen agreed there was business contribution to the development of women lives as a whole as the income from their business was well coordinated and they were able to improve education, health, businesses, paying rent and utilities in their households and the businesses had made a positive impact in alleviating poverty in the households since most of the things have improved including education for them and their children, they can access to loans, their health has improved and families are health, they are able to pay for their utilities i.e. water and electricity and there is stock increase in their businesses. This has given them a new meaning to life and they have future plans among them try new business, business expansion; invest in education and health buy property and infrastructure.

It was observed that in business setup business owners were willing to involve stakeholders who includes their immediate family members, relatives & friends, community elders, local business people, money lending institutions and local markets all who are of great help to the running of business through monetary support, business advise, conflict resolutions and moral support. It was observed that with the businesses in the locations the community were benefiting by getting the market for their good and they were getting their needs met e.g. the residents were getting fresh meat, milk, vegetables and other services that were rendered by the business men.

The program so started should focus on strategies focusing on growth areas for instance at the local level. Community mobilization and participatory approaches should be employed to deliver services and employment with support from donors and government. The programme should facilitate local CBOs to implement projects and provision of small grants and small micro credit to foster livelihood activities.

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