Determinants of Poverty in Somalia (Case Study Hodan Distract Mogadishu-Somalia)

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ABSTRACT

The purpose of the study was to establish the determinants of poverty in Hodan district in Mogadishu, Somalia. Specifically, the study was necessary to address the following specific objectives that is, To examine the effect of the dependency ratio on poverty in Somalia, To find out the effect of savings on poverty in Somalia, and To investigate the effect of Human Capital on poverty in Somalia. Poverty of Somalia has been a long term recurring problem. Somalia faces a number of major obstacles to development: civil conflict, the lack of a fully functioning central government, and natural calamities such as drought and floods. In addition, the ongoing armed struggle has often prevented much-needed humanitarian assistance from reaching the population. The prominent ones being absence of an active central government, civil disputes, natural calamities like floods and droughts. Poverty in Somalia has increased manifold since 1990. The researcher was used a descriptive survey design method for the study. Survey design is a design in which data is collected using questionnaires. The population of settlers in Hodan district is 114,348 hence the researcher will use Cochran's formula to yield a representative sample for the proportions. The study was selected a sample of 384 respondents from the different households in Hodan district in Banadir region, Somalia. In getting the sample size, the researcher will use Cochran's formula to yield a representative sample for the proportions. The researcher will employ percentages and frequencies to analyze the results of questionnaire using Statistical Package for Social Science (SPSS-20). Average dependency due to the high population is high in developing countries in which labour productivity would be low because of inadequate nutritional food, health and education. The last statement on the relationships between poverty and family dependency was whether the personal savings income can lead to a lower level of personal poverty, this aspect was intended to examine the savings of the individual's role on poverty reducing efforts as the respondents. The conclusions were based on the objectives of the study that determinant of poverty in Hodan distract Mogadishu –Somalia. The result showed the high dependency ratio has facilitated limited or low access to university education among household members causing unemployment in the country. As a result of the massive unemployment, the youth are left with few options for survival but migration or joining armed groups as the alternative for gaining a decent standard of living. The study recommends the adoption of objectives of the study that determinant of poverty in Hodan distract Mogadishu –Somalia. The researcher recommending that Somali Government decrease the unemployment issues because will increase the poverty that would lead money violence and insecurity problems.

1. Introduction

The problem of poverty is global, with some 3 billion or nearly 50 percent of the world`s population characterized as poor, living on incomes of less than $ 2.5 a day ((Issues, 2012). Some 640 million children live without adequate shelter. (Global Issues, The Human Development Report 2012). Most of the poor have limited access to information, to productive assets or to market. According to UNICEF, 22000 children die each day due to poverty and they "die quietly in some of the poorest villages on earth, far removed from scrutiny and the conscience of the world. About 72 million primary –age children in the developing world were not in school in 2005; 57 percent of them were girls (Global Issues, 2013).

About 1.1 billion people in developing countries lack access to water and 2.6 billion lack basic sanitation and their children are at the risk of dying young from communicable diseases, accidents and injury. Gender disaggregation reveals that about 55% of the world`s poor were women according to (Canter for Poverty Research 2010). Although poverty is a global problem, the vast majority of the poor are found in the continents of Asia, South America and Africa, with the sub Saharan region being the most affected. The UN FAO estimated that 239 million people in sub-Saharan Africa were hungry or malnourished in 2010; 925 million people were hungry worldwide. Africa will be the continent with the second largest number of hungry people, as Asia and the Pacific had 578 million, principally due to the much larger

population of Asia when compared to sub-Saharan Africa. Sub-Saharan Africa actually had the largest proportion of its population undernourished an estimated 30 percent in 2010, compared to 16 percent in Asia and the Pacific (FAO 2010). Thus almost one in three people who live in sub-Saharan Africa were hungry, far higher than any other region of the world, with the exception of South Asia.

In 2010, the government of Somalia launched the National Development Plan for the period 2010/15 with an overall objective of addressing the structural bottlenecks in the economy in order to accelerate socioeconomic transformation for poverty eradication and prosperity. (UNDP, 2013)

According to the UNDP (2010), in Somalia poverty has been a long term recurring problem. Somalia faces a number of major obstacles to development: civil conflict, the lack of a fully functioning central government, and natural calamities such as drought and floods. In addition, the ongoing armed struggle has often prevented much-needed humanitarian assistance from reaching the population. Poverty has inevitably increased since the early 1990s and the collapse of the government and onset of civil war. About 43 per cent of the population lives in extreme poverty, or on less than US$1 per day.

The Ministry of Finance, 2012 indicated that rural poverty is reducing but at a lower rate than in urban areas. From 2006 to 2010 poverty in urban areas reduced from 57 percent to 43 percent while in rural areas poverty reduced from 62 Percent to 53 respectively. In addition there are disparities in the distribution of poverty, with northern Somalia registering the highest with 58.2 percent, followed by Southern Somalia with 42 percent using the poverty index measure of poverty.

According to the UNFPA (Survey, hodan district, 2014), Hodan district has the largest percentage of internally displaced persons in Mogadishu region consisting of 33.4 percent of the internally displaced persons in Somalia. According to the Somalia Annual Report (UNDP, 2013), the internally displaced persons are the most severely affected by poverty in Somalia with over a million people in need of assistance.

According to World (Bank)), due to the severity of poverty in Somalia, poverty reduction became the major goal of the World Bank and the government of Somalia with a number of strategies presented under the Somalia National development plan 2010 intended at alleviating poverty among which include, Peace and conflict resolution, Demilitarization or disarmament.

According to (UNDP, 2012), a number of intervention measures to alleviate poverty among the Somali communities have been developed, involving the programme, the sectoral as well as project approach.

However despite all these strategies, there has been a growing concern that despite the increased financial inflow into the country for over 5 Years, the people of Somalia have remained among the poorest sections of the World communities, threatened by malnutrition and disease and enduring low standards of living.

This study aims at identifying the determinants of poverty in Somalia and establishing why there has been persistence of poverty among the communities of Somalia at the time of considerable cash inflow into the country from the development World inform of Aid.

According to (UNDP, 2010) poverty of Somalia has been a long term recurring problem. Somalia faces a number of major obstacles to development: civil conflict, the lack of a

fully functioning central government, and natural calamities such as drought and floods. In addition, the ongoing armed struggle has often prevented much-needed humanitarian assistance from reaching the population. The prominent ones being absence of an active central government, civil disputes, natural calamities like floods and droughts. Poverty in Somalia has increased manifold since 1990.

Somalia, witnessed many inhibiting factors like downfall of the government, outbreak of the civil war, which further aggravated the problem of poverty in Somalia. About 43 per cent of the population lives in extreme poverty, or on less than US$1 per day. This figure rises to 53 per cent in rural areas, where extreme poverty is more prevalent.

According to the UNFPA (Survey, 2014), Hodan district is the district with the largest percentage of internally displaced persons in Mogadishu region consisting of 33.4 percent. According to the Somalia Annual Report (UNDP, 2013), the internally displaced persons are the most severely affected by poverty in Somalia with over a million people in need of assistance.

In 2010, the government of Somalia launched the Somalia National Development Plan for the period 2010/15 with an overall objective of addressing the structural bottlenecks in the economy in order to accelerate socioeconomic transformation for poverty eradication and prosperity. (Plan, 2010)

According to UNDP 2012 a number of intervention measures to alleviate poverty among the Somali communities have been developed, involving the programme, the sect oral as well as project approach. However there has been a growing concern that despite the increased financial inflow into the country for over 5 Years, the people of Somalia have remained among the poorest sections of the World communities, threatened by malnutrition and disease and enduring low standards of living, with the internally displaced persons in Hodan district the most severely affected by poverty. This has created a concern of why there has been persistence of poverty in the country despite the international capital inflow into the country inform of humanitarian aid. There is need for a clear understanding of the nature and the dimensions of poverty in Somalia in order to come up with appropriate reduction strategies. This study aims to respond to the need by surveying the determinants of poverty in Somalia in order to provide background data on how to respond to poverty by the policy makers.

Objective of study

1. To determine the effect of the dependency ratio on poverty in Somalia

2. To find out the effect of savings on poverty in Somalia

3. To establish the effect of Human Capital on poverty in Somalia

2. Literature Review

Theoretical frame work

**Growth and production theories**

Growth and production theories provide a useful starting point for establishing the theoretical frame work for analysis. From these theories, income and consumption potential of households and individuals are related to their production capacity. This in turn depends on their access to various production factors, labour, capital, technology and land, as well as the quality of these production factors. The role of human capital in form of education and experience has often been emphasized as a particularly important determinant of income or production (Schultz, 1988).

The environment in which the household or individual operates influences the outcome of the production process in many ways. Institutions and public policy also influence the conditions for economic activity. Similarly the amount and quantity of public infrastructure is also important. These standard production and growth determinants define a basic model for determinants of welfare.

Culture Theory of Poverty

Culture tends to be the explanatory variable that theorists and policymakers look to last when attempting to explain social dysfunction, particularly due to the sometimes visible connection between culture and race (Glazer, 2000). These scholars argue that poverty is largely the result of social and behavioural deficiencies in individuals that ostensibly make them less economically viable within conventional society. However, due to persistence of poverty in certain areas, the behavioural perspective is reinforced by the culture of poverty thesis, which suggests that individuals create, sustain, and transmit to future generations a culture that reinforces the various social and behavioural deficiencies (Rodgers, 2000).

A corollary to this perspective suggests that government policy, that is, welfare in the form of cash assistance to able bodied/minded adults, over the last forty years has created a culture of dependence on government aid, perpetuates poverty, and contributes to a variety of other socials ills including rising rates of divorce. The "culture of poverty" thesis, which emanated from the anthropological arguments of Oscar Lewis (1970), later came to be erroneously associated with laying blame for poverty either on the poor themselves or on a government that keeps them dependent
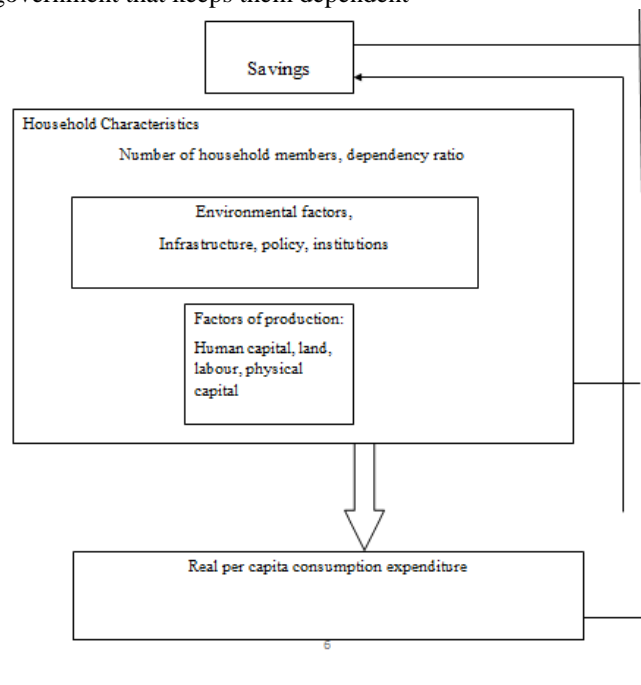
The Figure illustrates that access to savings and other sources of non-production income may have direct effects (in terms of higher consumption potential) as well as indirect effects (in terms of better access to capital and other factors of production.

The model further illustrates that there is probably a cumulative two way relationship between income from production activities and savings potential. The households that are able to save may use the savings for investments that enhance their production capacity. Conversely, poor households may be caught in a poverty trap, where their incomes are too low to allow them to set aside money for investments that could raise output.

Although this theoretical model of real per capita consumption is highly stylized, it is important to emphasize its importance for the interpretation of the results from the regression analysis based on the National household survey data. Without access to long term time series, it is impossible to prove causality with econometric techniques. The results from regression estimations can at best prove that there are significant relations between variables, but hypothesis about causal links must be drawn from theory. Hence the objective of the empirical analysis is to test whether the empirical data are consistent with the theoretical hypotheses summarized in Figure 1

Three ingredients are necessary to be determined in computing a poverty measure: first, indicator of well-being and a relevant dimension has to be chosen. Second, a poverty line has to be selected, that is a threshold below which a given household or individual will be classified as poor. Finally, one must decide whether to apply the metric to the population as a whole or only to a population sub group (Alcock, 1997)

Absolute poverty measures consider exclusively the well-being of those who are defined as poor. The commonly used absolute metrics are: (1) the headcount index: measuring the number of poor people: (2) the poverty gap ratio measuring the amount of income needed to raise the poor out of poverty: (3) the squared poverty gap ratio measuring the severity of poverty. (Ravallion, 2009)The head count index is a very crude index implied to count the poor and calculate the percentage of this category in the total population (Sen A. , 1976). The index could be very useful in the case of measuring the effectiveness of poverty alleviation policies over time such as the decrease in percentage and/or number of the poor. However, the head count index may not capture the differences in income distribution and the extent of immoderation of the poor (Sen A. , 1976)

The government of Somalia identified three levels of poverty, namely the individual, the household and community levels and at each level, different elements poverty would feature more prominently. The main elements include low incomes that are insufficient to meet the basic needs of the poor, lack of sufficient food and poor nutrition among many people within the population, poor health resulting from common diseases and limited access to clean water. (MOFS, 2010)

Theory Poverty Is Structural

The left-wing view is that poverty is a structural phenomenon. On this view, people are in poverty because they find themselves in holes in the economic system t hat delivering them inadequate income. Because individual lives are dynamic, people don't sit in those holes forever. One year they are in a low-income hole, but the next year they've fund a job or gotten a promotion, and aren't anymore. But that hole that they were in last year doesn't go away. Others inevitably find themselves in that hole because it is a persistent defect in the economic structure. It follows from this that impoverished people are not the same people every year. It follows further that the only way to reduce poverty is to alter the economic structure so as to reduce the number of low-income holes in it. (Myself, 2014).

Conceptual Framework

A conceptual framework is used to outline the possible courses of action or the preferred approach to an idea.

The conceptual framework highlights the independent variables and the dependent variable. The interaction between the dependent variable and the independent variables of the study is shown by the figure below.
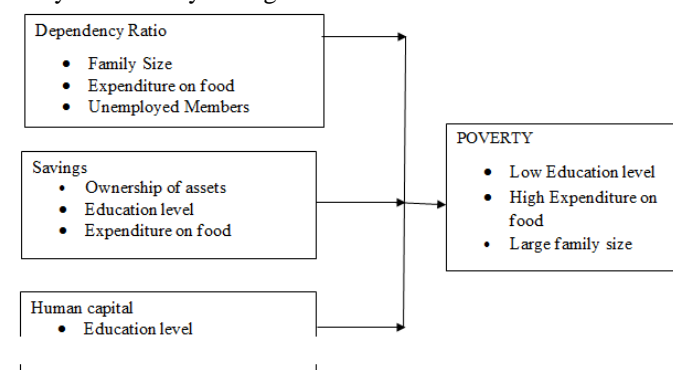

Independent variable   Dependent Variable

Figure 1.1 Conceptual Frame work.

Dependency ratio

It is noted the fact that poverty, age dependency ratio and unemployment are very high whereas economic growth is very low and unstable in all most of all less developing countries such as Asia, Sub- Saharan Africa and Latin America except some countries such as Singapore South Korea, Taiwan, Hong Kong. Developed countries such as America Europe, Japan and Australia are characterized by high and stable economic growth and employment with low dependency ratio and thereby people are enjoying fruitful of economic growth and development. As a matter of fact, due to having low level population and population growth rate, developed countries have had low level dependency ratio while developing countries have had high dependency ratio due to the vast population and high population growth rate. What is the important fact is that in addition to economic growth and unemployment, dependency ratio due to the high population of these countries also highly affects the poverty. (Vijayakumar, 2005)

Average dependency ratio due to the high population is high in developing countries in which labor productivity would be low because of inadequate nutritional food, health and education. General theory tells us that lower the labour productivity lower the economic growth and higher the unemployment and poverty. On the contrary, high dependency ratio in a family or in case of the developing countries leads to lower productivity of such labor force. It is the fact that there is positive relationship between dependency ratio and poverty. (Ogwmike, 2003)

Savings

Saving is something that people can do. People can save formally (e.g. into a bank or building society account) or informally (e.g. saving lose change into a jar). Savings refer to the actual savings account or money that has been saved. Savings are a stock of liquid financial assets. Savings may be short term and used across the life cycle, or may be long term, such as a pension. These savings provide a stock of wealth which can provide a return or income flow (McKay, 2000)

Human capital

Human capital theory has strongly influenced most debates on the relevance of education for development. Human capital theory suggests that there are substantial economic effects of education for social development (Katherine, 2000). The basis of human capital theory is that education makes people more productive at work.

Individuals invest their time and money in education and skills on the expectation that such investment will yield future benefits in terms of employment and earnings (Becker, 1964). Mincer (1974) showed that if the only cost of an additional year of education is the opportunity cost of the student's time, and if the proportional increase in earnings caused by this additional education is constant over an individual's lifetime, then the rate of return to the investment in education can be derived from estimating relatively simple econometric models (Mincer, 1974). The underlying theoretical assumption is that the skills acquired by the individual through education influence the individual's productivity by the same amount in all types of work for all employers (Mincer, 1974). Therefore, human capital theory implies that an effective anti-poverty strategy should incorporate increasing the skills of people in poor (low-income) households as this will increase their productivity and suitability for paid employment, and for career advancement within employment (Oxaal, 1997).

For a sustainable poverty reduction, the quality and quantity of, and access to physical capital (environmental infrastructure and social services) are paramount. Access to physical capital is the main indicator of physical capital for urban poverty reduction. It is therefore recommended that adequate provision of, and access to physical capital for poverty reduction should be pursued as a conscious intervention by government, and this requires, among others, good governance and community participation. (Ogwuche, 2012)

According to Moser (1998) and Rakodi (2002), this context also determines the livelihood assets accessible to people for their livelihoods. Of the five livelihood assets, Rakodi (2002) identifies physical capital as a public rather than private investment, and a collective asset for sustainable livelihoods in the urban context. Physical capital not only includes the physical structures such as water supply and sanitation, roads, electricity, health and educational institutions, but also the way they are panned, financed, constructed, operated and maintained. (Rakodi, 2002)

Physical capital, as a livelihood asset means so much to experts, development institutions and international organizations. Consider physical capital as a provider of environmental services, as well as brings about positive changes to the urban environment, and these are connected to improvements in the quality of life. Physical capital, through its consumption and amenity value, contributes to social and economic condition; technological development; improvement (DFID, 2000).

3. Research Methodology

The researcher was used a descriptive survey design method for the study. Survey design is a design in which data is collected using questionnaires. The researcher was used the above design to enable him describe or present a picture of the problem under study. According to (Owens 2002), survey research design is unique as it gathers information not available from other sources as information is collected from respondents. Individual respondents are never identified and the survey results are presented in the form of summaries, such as statistical tables and charts.

For this study, the survey design was preferred because surveys are relatively less cost, easily accessible and also useful in describing the characteristics of a large population and making the results statistically significant even when analyzing the variables. Also surveys are flexible in deciding how the questions are to be administered.

Survey method is best used when the researcher wants to collect a lot of data within a limited period of time as was the case with this study.

The study will be carried out using the primary and secondary qualitative data and quantitative data. The study was carried out between April 2016 and May 2016 using Survey data. This was used to Determinant of poverty in Somalia. The study was descriptive where the quantitative data had been used in the analysis.

Qualitative approach will be used because some of the possessions of the households and indicators of poverty are not easily be quantified.

4. Discussion of Findings
Descriptive Analysis
Dependency ratio

The first objective of the study respondents on dependency of poverty the Table 4.7 shows that 49% agreed that dependency Increases Poverty by written manual and 51% agreed the culture advocates for having large families as the way of coping with poverty.

Foreign aid dependent lead poverty when poverty comes from lack of political stability 52% agree and the Colonia contribute high poverty 56% . While 50% Lack of export lead to poverty are agree. The mean score for the responses was 3.71. Average dependency due to the high population is high in developing countries in which labor productivity would be low because of inadequate nutritional food, health and education. General theory tells us that lower the labor productivity lower the economic growth and higher the unemployment and poverty. On the contrary, high dependency in a family or in case of the developing countries

Leads to lower productivity of such labor force, It is the fact that there is positive relationship between dependency and poverty.(Ogwmike, 2003)

The second objective of the study researcher requested from the respondents to indicate their level of agreements on the statement of the saving whether it reduces or increases the level of poverty on the residents of Hodan district of Banadir Region. From the table 4.8 shows most of the respondents agreed the fact that the saving income is in fact one of the main constituents of poverty reduction strategies. The of respondents agree that the saving is the only way we can reduce the level of poverty accounted for 58% the variance of weather saving can contribute poverty reduction is said to be neutral in the view of the respondents a 46% on the possibility of saving to increase level of poverty has a counting a 42%

government savings role in the economic growth of the country whereby it can lead low level of poverty seemed to be as high as 44%, the mean score is 3.252. on the last statement on the relationships between poverty and family dependency was whether the personal savings income can lead to a lower levels of personal poverty, this aspect was intended to examine the savings of the individual's role on poverty reducing efforts as the respondents a 45% strongly agreed its effective role on the matter of discussion. Saving is something that people can do. People can save formally (e.g. into a bank or building society account) or informally (e.g. saving lose change into a jar). Savings refer to the actual savings account or money that has been saved. Savings are a stock of liquid financial assets. Savings may be short term and used across the life cycle, or may be long term, such as a pension. These savings provide a stock of wealth which can provide a return or income flow (McKay, 2000).

Human capital and Poverty

The last objective of the study was to establish the effect of human capital on poverty the results on Table 4.9 indicates that 52 % agreed are important Education human capital reduces poverty that Economic infrastructure and industries has impact in poverty reduction the respondent are agree in 69% and innovative technology country decrease poverty indicate 44% are agree also Productivity of country decrease poverty in respondent 53% agree and natural resource has positive potential decrease on poverty 45% respondent agree the mean score 3.722 . Therefore, human capital theory implies that an effective anti-poverty strategy should incorporate increasing the skills of people in poor (low-income) households as this will increase their productivity and suitability for paid employment, and for career advancement within employment(Oxaal, 1997).

Regression Analysis

This research used, a multiple regression analysis are conducted to determinants of poverty in Hodan district Mogadishu, Somalia. The study used statistical package for social sciences (SPSS V. 20) to enter and compute the measurements of the multiple regressions.

From the ANOVA statistics shown in table, the processed data, which is the population parameters, had a significance level of 5% which shows that the data is ideal for making a predictable on the population's parameter as the value of significance (p-value) is less than 5%.

Table 4.8 . Dependency ratio.

Statement	S	D	N	A	S	Std Mean Dev
dependency Increases Poverty	10%	20%	19%	20%	29%	4.0 1.332
foreign aid dependent lead poverty	15%	16%	15%	32%	19%	4.0 1.350
poverty comes from lack of political stability	11%	15%	20%	26%	26%	3.15 1.165
Colonia contribute high poverty	9%	20%	32%	24%	14%	2.40 1.333
Lack of export lead to poverty						5.0 1.426
Mean						21

Savings income on Poverty

Table 4.9. Savings income on Poverty.

Statement	S	D	N	A	S	Std Mean Dev
Saving income is the only way we can reduce poverty Saving income can contribute	9%	13%	19%	34%	24%	4.0 1.252
poverty reduction	12%	18%	21%	31%	15%	3.27 1.271
Saving increases level of poverty Government saving income	15%	19%	21%	27%	15%	2.09 1.307
cause growth	13%	20%	22%	26%	18%	4.17 1.300
Personal saving lead low of personal poverty	11%	21%	20%	26%	19%	3.0 1.297
Mean						3.252

4.9.1. Regression Models.

Model	Sum Squares	df	Mean Square	F	sig
Regression	21.814	3	.7.271	14.533	.000[a]
Residual	189.628	379	.500		
Total	211.442	382			

The F critical at 5% level of significance was 2.62. Since F calculated (14.533) is greater than the F critical (2.62), this shows that the overall model was significant and that dependency, saving income and human capital significantly affect the poverty in Hodan district in Mogadishu.

Multiple Regression Analysis

Table 4.10. Regression Coefficients.

	Standardized Un standardized Coefficients		Coefficients		
Model	B	Std. Error	Beta	T	Sig.
1. (Constant)	1.335	.306		4.430	0.00
Dependency	.278	.070	.202	3.954	0.00
Saving	.179	.067	.136	2.686	0.008
Human Capital	.143	.066	.112	2.176	.030

From the data in the above table the established regression equation was;

$$Y = 1.355 + 0.278X_1 + 0.179X_2 + 0.143X_3$$

From the above regression equation it was revealed that holding dependency, saving income and income human capital to a constant zero, poverty in Hodan district in Mogadishu would be at 1.355. A unit change to dependency would lead to change in the poverty in Hodan district in Mogadishu by a factor of 0.278. A unit change in saving income would lead to change in the poverty in Hodan in Mogadishu by a factor of 0.179 and a unit change in economic and human and capital would lead to change in saving income in Hodan distract by a factor of 0.143.

The regression results displayed in above table indicate that dependency; saving income and economic and human capital were significant at 5 percent level. The coefficient of dependency showed 0.278 with a p-value 0.000, which is less than 5%, the coefficient of saving income was 0.179 which is less than 0.05, with a p-value of 0.008. And the coefficient of the human capital was 0.143, with a p-value of 0.030 which is less than 0.05 so that indicates there was statistically positive relationship between dependency, saving income and human capital and poverty in Hodan district in Mogadishu. Hence, the most significant factor is dependency. Overall, dependency had the greatest effect on poverty in Hodan district in Mogadishu, followed by saving income and economic and natural resource. All of the variables were found to be significantly affect poverty in Hodan district in Mogadishu because they less than ($p<0.05$).

5. Conclusion

The conclusions were based on the objectives of the study that determinant of poverty in Hodan distract Mogadishu –Somalia. The result showed the high dependency ratio has facilitated limited or low access to university education among household members causing unemployment in the country. As a result of the massive unemployment, the youth are left with few options for survival but migration or joining armed groups as the alternative for gaining a decent standard of living.

Somalia is a country that has experienced excessive amounts of political instability during The past decade. The prolonged fighting in Somalia led to massive loss of property, lives and destruction of the society. Political instability contributed to massive suffering and poverty in Somalia, there has been massive unemployment and migration of people from the country.

6. Recommendations

The study recommends the adoption of objectives of the study that determinant of poverty in Hodan distract Mogadishu –Somalia.

1- There is no single development tool that can be used to reduce poverty extensively because poverty is multidimensional, however education can play a vital role in poverty reduction. The researcher recommended one of the most powerful instruments for poverty reduction; education can be a guarantee for development in every society and to every family. Its centrality is not only for poverty reduction but it can also contribute in reducing inequality Education is the most effective way for able young people of poor backgrounds to rise in the economic hierarchy, Education of the poor helps improve their food intake not only by raising their incomes and spending on food but also by inducing them to make better, healthier, choices should be Educate and training of children and women not only promote growth and efficiency, but they can reduce inequality and the impact of disadvantaged backgrounds. Governments of Somalia often cannot afford to provide for good public schools, especially in rural areas.

In addition, Somalia tends to have few employment opportunities, especially for women. As a result, people may see little reason to go to school.

2- Good governance implies a capacity to turn public income into human development outcomes. Good governance is an essential pre-condition for pro-poor growth as it establishes the enabling regulatory and legal framework essential for the sound functioning of land, labor, capital and other factor markets. Also researcher recommended producing the Somali government regulation which they fight to the corruption and instability political which can result to decline the GDP.

-3- Unemployment is rampant now that the global financial crisis has ravaged the world's economy. With a higher number of unemployed people, crime rates in these cities will increase as people grow desperate to survive. The researcher recommending that Somali Government decrease the unemployment issues because will increase the poverty that would lead money violence and insecurity problems.

7. Areas for Further Research

The study sought to establish the effect of determinant of poverty hodan distract in Mogadishu- Somalia, the study recommends a further study to be done on the effects of dependent and poverty in Hodan distract.

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