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Published by American Center of Science and Education, USA**EMPOWERING ECONOMIC GROWTH: THE VITAL ROLE OF MICROFINANCE IN REDUCING UNEMPLOYMENT IN SOMALIA**  Abdullah Al Masum ^{(a)1}  Md. Eqtedar Ul Hoque ^(b)  Anowar Ullah ^(c)  Abdikhaliq Dahir Ayanle ^(d)  Miftahul Zannat Hridoy ^(e)^(a) Department of Businesses Administration, North South University, Dhaka, Bangladesh; E-mail: abdullah_al_masum@yahoo.com^(b) Department of Business Administration, Daffodil International University, Dhaka, Bangladesh; E-mail: eqtedar19@gmail.com^(c) Senior Lecturer, Department of Businesses Administration, Daffodil International University, Dhaka, Bangladesh; E-mail: anowar.bba@daffodilvarsity.edu.bd^(d) Department of Businesses Administration, Daffodil International University, Dhaka, Bangladesh; E-mail: abdikhaliq6355@gmail.com^(e) Department of Businesses Administration, Daffodil International University, Dhaka, Bangladesh; E-mail: hridoy11-1801@s.diu.edu.bd

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ABSTRACT

This study investigates how microfinance might help Somalia's unemployment rate decline. In many developing nations, microfinance has been acknowledged as a powerful tool for reducing poverty and fostering economic growth. The impact of microfinance on Somalia's unemployment rate is examined in this essay. Widespread acceptance of microfinance as a technique for reducing poverty and promoting economic growth in developing nations. The high unemployment rate in Somalia has posed a significant obstacle to the nation's economic development and social stability. This study looks at how microfinance could encourage small business growth and entrepreneurship in Somalia while lowering unemployment rates. The study looks at the difficulties faced by Somalia's microfinance organizations and how they affect efforts to lower unemployment. Additionally, it explores the connection between microfinance and job creation as well as the ways in which it might encourage entrepreneurship and the growth of small businesses. According to the study's findings, microfinance has the potential to significantly contribute to lowering Somalia's unemployment rate by facilitating access to capital, encouraging entrepreneurship, and generating employment possibilities. Yet, overcoming the difficulties faced by microfinance institutions in Somalia, such as poor infrastructure, a lack of regulatory framework, and political instability, is essential to the success of microfinance in lowering unemployment.

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Microfinance is a crucial instrument utilized by NGOs, banks, and governments to tackle the difficulties of poverty that affect over two billion individuals with earnings below US\$2.00 per day (Chen et al., 2017).

Microfinance encompasses various financial services that involve granting microcredit loans as a means of acquiring capital to initiate or grow small-scale businesses. The comprehensive classification of microfinance also involves insurance, savings, money transfers, mortgages, and pension plans tailored for individuals who are not adequately served by conventional banks. Microcredit loans serve multiple purposes, including facilitating financial inclusion and smoothing consumption, but the primary focus of this Special Issue is their role in promoting economic participation and supporting small businesses among low-income groups (Khavul, 2010).

Microfinance, or microcredit, is a banking service that caters to individuals or groups with low income or no employment opportunities, who are otherwise unable to access conventional financial services. The majority of microfinance institutions primarily offer lending services, with microloans ranging from \$100 to \$25,000. However, many banks also provide other services such as checking and savings accounts, micro insurance products, and financial and business education. The fundamental aim of microfinance is to offer impoverished individuals the chance to become self-sufficient (Kagan, 2022).

Microfinance has demonstrated its efficacy in addressing poverty, generating employment opportunities, and

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enhancing the quality of life for impoverished individuals. It has also been instrumental in empowering the poor, particularly women, by enabling them to manage their businesses, make independent decisions, and improve their self-esteem and self-efficacy. Additionally, it is regarded as a critical means to attain the Millennium Development Goals of reducing hunger and extreme poverty by 2015, promoting gender equality, and achieving universal primary education, as per Al-Shami et al. (2014).

The capacity of the businesses that microfinance invests in to expand determines how effective it is as a vehicle for economic growth and employment. The evidence demonstrates that while self-employment and microenterprises are significant from a social standpoint, they have little influence on job creation and unemployment reduction. Grants may be a more cost-effective way to provide micro seed cash for self-employment, and microfinance may be repositioned to offer risk financing to entrepreneurs who make it past the startup phase and have the potential to boost the economy and create jobs. This intense concentration appears to be motivated by the underlying presumption that microenterprise development can help create jobs and reduce unemployment and that microfinance has a significant role to play in this process (Chen & Ravallion, 2010).

The concept of microfinance is not a new phenomenon, as various savings clubs and burial societies can be observed worldwide. Moreover, there have been savings and credit organizations that have existed for centuries, such as the "susus" in Ghana, "chit funds" in India, "tandas" in Mexico, "arisan" in Indonesia, "cheetu" in Sri Lanka, "tontines" in West Africa, and "pasanaku" in Bolivia, as noted by Nagarajan and Janakiraman (2014).

The microfinance revolution came into existence when Bangladeshi economist Muhammad Yunus provided some financial assistance to a struggling basket weaver in 1974, for which he was later awarded the Nobel Peace Prize. While the notion of microfinance has now extended to Latin America, Asia, Eastern Europe, and Africa, the most renowned microfinance programs are rooted in Asia. In 1976, Dr. Yunus launched a microfinance initiative among women in Bangladesh in response to a severe famine that had affected the country in 1974, according to Hulme (2009). According to the recently developed multidimensional poverty index by Oxford University, Africa is identified as the region with the highest poverty levels in the world. It is notable that the microcredit movement, which gained momentum in the 1980s and experienced significant growth in the 1990s, originated in this region (Schrieder & Hiedhues, 1995).

Microfinance is a term that refers to a "program that provides very poor people with small loans for self-employment enterprises that create money so they can take care of themselves and their family." The World Bank has recognized the microfinance program as a means of addressing poverty and income inequality, and it has been demonstrated to be effective in many countries. In order to strengthen its efforts to combat poverty, the World Bank has designated 2005 as the Year of Microfinance. Microfinance is the provision of financial services, including savings, loans, and insurance, to disadvantaged individuals in both urban and rural areas who are unable to obtain such services from conventional financial institutions (Nasir, 2013). The origins of microfinance in Pakistan date back to the early 1980s when the Aga Khan Rural Support Program (AKRSP) and the Orangi Pilot Project (OPP) were established. The AKRSP approach was subsequently adopted nationwide with the creation of the National Rural Support Program (NRSP) and the Sarhad Rural Support Program (SRSP) in the 1990s. While these organizations provided social services, including financial services, loan defaults were a common problem. To address this, the Kash Foundation was founded in 1996 as a specialized microfinance non-governmental organization, which paved the way for the formation of the Pakistan Microfinance Network (PMN). The Khushhali Bank, established in 2001, was specifically designed to serve the underprivileged population (Ahmad, 2008). According to the second annual report on the program's implementation, which was released today, the European Progress Microfinance Facility has established to be a real instrument for creating jobs, especially for groups that have trouble obtaining funding from more conventional sources. This is because it assists micro entrepreneurs with their start-ups. Twenty microfinance companies operating throughout the European Union have benefited from this facility by receiving guarantees or capital (debt or equity) to support their lending to prospective micro entrepreneurs worth €170 million over the next two to three years (Chandy & Narasimhan, 2011).

The poorest region in the world, identified by Oxford University's new multidimensional poverty index, is in Africa where microfinance started to gain popularity in the 1980s and grew stronger in the 1990s. In Africa and the Middle East, Microfinance Institutions (MFIs) have consistently experienced portfolio growth, according to the 2016 Convergences Microfinance Barometer. In 2015, MFIs in Africa reported a 16.4% increase compared to the previous year. The Group has 8,692 workers in the region and has provided loans worth \$9.4 billion to 7.4 million people. Microfinance specialists in the region determine which MFIs will receive assistance based on their operational excellence, transparency, and social performance, with long-term partnerships and fieldwork enhancing effectiveness (Ayodele et al., 2019).

Despite state interference and criticism from a British cooperative expert in 1934, informal financial institutions like "esusu" continue to play a significant role in Nigeria. In South Africa, the microcredit market experienced growth in four distinct phases from the 1980s, involving a variety of institutions. However, the Micro Finance Regulatory Council's decision to reduce margins led to the closure of many micro lenders, resulting in a decline from 3,500 formal micro lenders in 1997 to only 1,334 registered MFIs in 2000 (Okapara, 2010).

The phrase "creating jobs" is frequently used to refer to government initiatives to lower unemployment that resulted in many unemployed people finding employment and lowering the unemployment rate. Government initiatives to lower unemployment are frequently referred to as "job creation." There are many different types of job creation schemes. For instance, a government may slash taxes and regulations to cut the cost of recruiting. On the other hand, a government may employ personnel directly, for instance, to construct a road (Van Rooyen et al., 2012).

The idea that employment has a favorable effect on stability and poverty alleviation underlies the emphasis of employment creation. It is believed that the development of jobs both directly lowers poverty by raising household incomes and indirectly stimulates the economy by generating demand. It is believed that increasing employment reduces the desire

to engage in conflict, legitimizes the state, and supports the institutions and procedures essential to a state's efficient operation (Holmes et al., 2013). Although producing jobs is a major issue in Somalia, there aren't enough studies on the subject, so the goal of this research is to ascertain how microfinance might help the country's high unemployment rate.

Objectives

General Objective

The main objective of the study is to identify the role of microfinance to reduce unemployment in Somalia.

Specific Objectives

- Investigate the advantages of microcredit for small businesses.
- Analyze the role of microcredit in reducing unemployment.
- Examine how microcredit contributes to overall economic development.

LITERATURE REVIEW

The main hurdle that the poor encounter when seeking loans from formal financial institutions is the need for collateral. In addition, the loan application process involves several bureaucratic procedures, which raises transaction expenses for the disadvantaged. Lending to this group is not a priority for formal financial institutions. These institutions typically prefer lending to urban rather than rural areas, large-scale over small-scale transactions, and non-agricultural loans over agricultural ones.

Microcredits' primary goal is to enable the severely poor to rise beyond the poverty line and start their own small businesses. In order to combat poverty, social aids in the form of donations that "reinforce the spread of a beggar culture" are ineffective (Latifee, 2003; Ali et al., 2020; Ali et al., 2021). However, the fundamental goal of the recently popularized "micro finance" method is to count the poor in the labor force and make them productive so they can raise their social and economic standing (Altay, 2007; Chowdhury et al., 2020; Chowdhury et al., 2021a; S. Chowdhury et al., 2021b; Iqbal et al., 2021).

Microcredit is frequently cited in studies as a crucial tool for reducing poverty. Nader (2008) investigated the relationship between microcredit and women's socioeconomic welfare. Although a strong association between children's education, income, and assets was discovered that is consistent with the literature, the notion that microcredit improves the health and harmony in the family was denied. Mahjabeen (2008) discovered that microfinance institutions in Bangladesh raised household consumption and income levels, improved welfare, and reduced income disparity. Microcredit is a significant tool in initiatives to combat poverty, according to (Bakhtiari, 2006; Kader et al., 2019; Kader et al., 2021a; Kader et al., 2021b; Kabir et al., 2021; Nayeem et al., 2020). The development of allocation of resources, market support, and the implementation of cutting-edge technology are all supported by microcredit services, which promote economic growth and development. Furthermore, microcredit borrowers' choice to invest money in better living conditions, health, nourishment, and education will benefit development.

Increased understanding of borrowers, using peer lending organizations as pre-screening tools, putting joint liability agreements into place, short-term loan agreements with regular repayments, loan ladders, and other strategies are just a few of the ways microcredit organizations use to lower their own risks. In order to provide credit to low-income borrowers without collateral assets and to raise payback rates, they also employ different strategies.

Microcredit providers, unlike philanthropic organizations, believe that poverty is caused by social processes that deny access to social resources, including credit. Some view credit as a human right and seek to bring a social and economic revolution by uniting the poor through Grameen-style microcredit institutions. Microcredit programs have drawn the attention of the international donor community due to their high loan recovery rates and effectiveness in reaching impoverished rural women. This was exemplified by the 1997 Microcredit Summit, which had 2900 representatives from 137 nations and 1500 organizations in attendance (Qudrat & Rahman, 2006; Nahar et al., 2021; Rahman et al., 2021a; Rahman et al., 2021b; Shahriar 2021a; Shahriar 2021b).

Projects to create jobs in an emergency should be specifically created to address the needs of the local community, with local input, priority, and ownership. They ought to be quick to act, adaptable, and focused on achieving short-term, modest goals of community reconstruction. Projects could include agricultural and fisheries restoration, community clean-up, sanitization, and road and building repair, as well as small-business support through microcredit, training, and market aid (Beasley, 2006; Zayed et al., 2021a; Zayed et al., 2021b; Ahmed et al., 2022; Al-Quraan et al., 2022).

Concept of Job Creation and Reducing Unemployment

The difficulty in measuring job creation is explored in this paper, which examines various employment generation strategies that can be used during an economic downturn. The "net new job" is the desired outcome of job creation programs, but it is challenging to assess whether a new job has been created at the microeconomic level. While it may be straightforward to determine macroeconomic job creation through the Bureau of Labor Statistics, specific job creation is challenging to quantify. Although the theoretical process for creating jobs through policies is well understood, demonstrating that it has created net new jobs is difficult or non-existent. The report highlights this recurring challenge (Atiase & Dzansi, 2019; Faisal-E-Alam et al., 2022; Mia et al., 2022).

Empirical Literature

The influence of microfinance on employment is not included in global data sources across industries. MIX, for instance,

has 11 outreach metrics. Each borrower's average loan balance and each saver's average savings balance are expressed as a percentage of his GNP. Percentage of female clients, overall number of savers or borrowers, and the number of her \$300 or less loans that have been executed. MFI is able to calculate all of these without speaking with the customer. The other three impact indicators must be switched back and forth. Consider your clients and produce statistics at the household level, per day and per household member. The informal sector employs more than 48% of the workforce in Africa, 45% in Latin America, and 33% in Asia. They work for themselves or small businesses.

Microfinance institutions (MFIs) are specifically used by this group of consumers who are active in the informal sector (Balkenhol, 2006; Rubi et al., 2022; Zayed et al., 2021a; Zayed et al., 2021b; Zayed et al., 2022a). Researchers are aware of a wider variety of occupation types. Here, the outcomes are more encouraging. The need for more employed workers also appears to be influenced by the size of a customer's farm at the time of initial contact with MFI. When she obtained her first loan, her KIK program client in Indonesia had a combined workforce (paid and unpaid) of 3 for her and 15 for him.

It seemed that at least some of them were no longer "household companies". Between industries, there were also significant disparities (construction jobs fell while agriculture increased manufacturing and trade jobs). The central bank has infused \$791 million in loans into the commercial banking industry overall through its refinancing facilities, which "generated \$255 million in new fixed investment and produced 67,000 employment in two years" (Balkenhol, 2006; Zayed et al., 2022b).

A loan that would support many jobs creation and preservation in Serbia was approved in 2014 by the microfinance organization that is the focus of the study that is being presented (Radmila, 2015; Zayed et al., 2022c; Zayed et al., 2022d). The following are the study's primary hypotheses: Positive correlation between bank lending and job growth was qualitatively verified (Alkalha et al., 2012; Bhuiyan et al., 2022; Shayery et al., 2022). The study assessed employment data with a particular emphasis on two important metrics: permanent jobs and jobs produced, measured at the level of MFI clients across all sectors of agriculture, business, and population. The information used was: A certain number was considered a full-time number. The number of new hires that MFI's clients want to make when the loan is approved, counted as new employment created.

The agriculture sector includes householders aged 15 years and above. The number of permanent positions is represented by the variable 'c', while the total number of new employment created by day workers or seasonal employees that the customer typically hires each year is represented as 'quantity'. Only loans aimed at supplementing home income from commercial or agricultural activities, as well as those hired to help with additional household duties and outside human resources, are included in this population sector. The number of new jobs created is calculated whenever a customer applies for a new loan. In 2014, MFI approved loans that kept 28,720 individuals employed and added 13,658 jobs in Serbia, with the dynamics of employment recorded month by month using mathematical and descriptive statistical techniques. The coefficient of determination is used to measure how well the trend line fits, contributing 88.28% to the forecast of produced job dynamics and 93.98% to the prediction of sustainable job dynamics (Radmila, 2015).

MATERIALS AND METHODS

Study Design

The Survey is a research strategy that outlined the gathering of data from a sample of people by their responses to questions that were posed (Check & Schutt, 2012). So that this design was used to describe how the drought impacts on small scale farmers to collect information based on proposed questionnaire and summarize according to the respondent's feedback accordingly that this type of survey design simplifies the researcher to understand and simply summarize the problem.

Sample Procedure

The study used purposive sampling, a non-probabilistic technique, to select participants from Somalia who were living in areas prone to disasters. The researcher intentionally excluded individuals who were not in this category to focus on collecting specific information. Purposive sampling was chosen for its efficiency in saving time and money. It is important to note that the researcher and the country were not responsible for exacerbating the situation.

Research Instrument

This study aimed to investigate the impact of drought on small-scale farmers in Somalia, specifically in the areas of agriculture, economics, health, and livelihoods. The data was collected using a questionnaire instrument adapted through Google forms, as it was efficient in collecting responses from a large sample size and suitable for the researcher's study. The questionnaire is a technique of data collection where each person responds to the same set of questions. The use of this tool was guided by the nature of the data to be collected, time constraints, and the objectives of the study. Due to the COVID-19 pandemic and the absence of the researcher, an online survey was chosen as the most appropriate method to collect primary data. The study also involved the collection of secondary data.

RESULTS & DISCUSSIONS

Microfinance as a Tool for Contributing to the Self-Employment of Poor Individuals

Table 1. MFI is contributed self-employment of poor people

Indicator	Frequency	Percent
Strongly Agree	48	40%
Agree	37	31%

Neutral	20	17%
Disagree	8	7%
Strongly Disagree	7	6%
Total	120	100

Source: Primary Data

Based on Table 1 and Figure 1 presented above, it can be observed that 40% of the participants strongly agreed, 31% agreed, 17% were neutral, 7% disagreed, and 6% strongly disagreed with the statement that MFI contributes to the self-employment of poor people. These results suggest that the majority of the respondents agreed that MFI is playing a role in promoting self-employment among the poor.

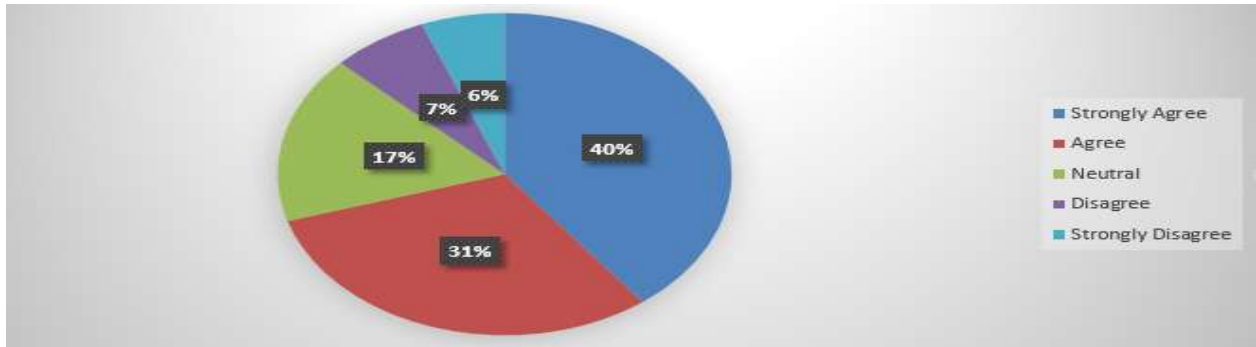


Figure 1. MFI is contributed self-employment of poor people

Source: Primary Data

Microfinance Institutions (MFIs): Bridging the Gap in Access to Credit and Income Opportunities

Table 2. MFI providing credit for increasing income earning opportunities

Indicator	Frequency	Percent
Strongly Agree	45	38%
Agree	37	31%
Neutral	23	19%
Disagree	11	9%
Strongly Disagree	4	3%
Total	120	100

Source: Primary Data

Based on Table 2 and Figure 2, the majority of the respondents agreed that microfinance institutions (MFIs) provide credit to increase income earning opportunities. Specifically, 38% strongly agreed and 31% agreed, while 19% responded as neutral, 9% disagreed, and only 3% strongly disagreed.

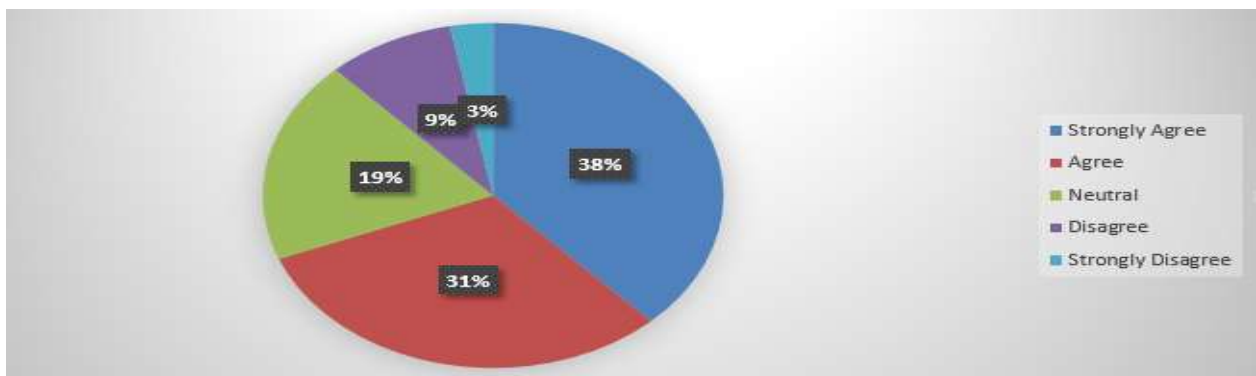


Figure 2. MFI providing credit for increasing income earning opportunities

Source: Primary Data

The Impact of Small Business Funding on Job Creation and Economic Growth

Table 3. Funding small business leads to job opportunity

Indicator	Frequency	Percent
Strongly Agree	35	29%
Agree	40	33%
Neutral	26	22%
Disagree	11	9%
Strongly Disagree	8	7%
Total	120	100

Source: Primary Data

The majority of respondents agreed that funding small businesses leads to job opportunities, according to the results of Table 3 and Figure 3. Specifically, 29% of respondents strongly agreed and 33% agreed with this statement, while 22% were neutral, 9% disagreed, and 7% strongly disagreed, as indicated by the percentages in the table and figure.

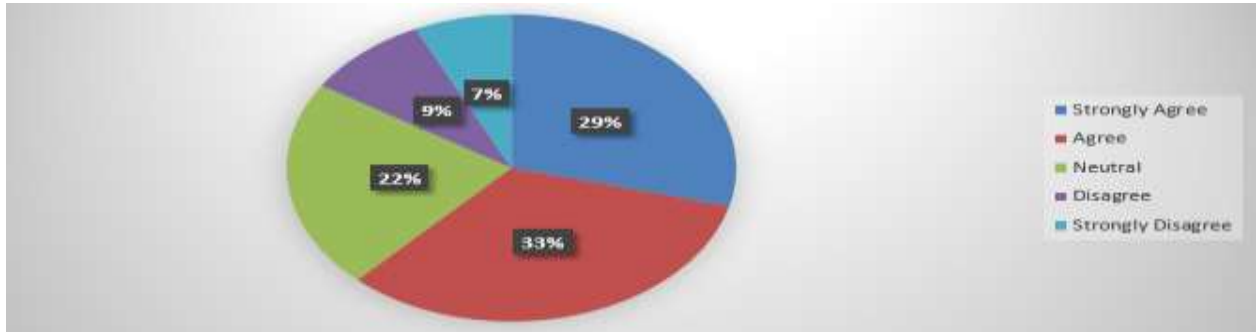


Figure 3. Funding small business leads to job opportunity

Source: Primary Data

Microfinance Institutions (MFIs): Fueling Entrepreneurship in Impoverished Nations through Accessible Financial Services

Table 4. MFI provides financial services to help encourage entrepreneurs in impoverished nations to act on their ideas

Indicator	Frequency	Percent
Strongly Agree	37	31%
Agree	39	33%
Neutral	20	17%
Disagree	14	12%
Strongly Disagree	10	8%
Total	120	100

Source: Primary Data

Based on Table 4 and Figure 4 below, it can be inferred that a large percentage of respondents agree that microfinance institutions (MFIs) provide financial services to help entrepreneurs in impoverished nations to act on their ideas. Specifically, 31% of the respondents strongly agree and 33% agree, while 17% remain neutral, and 12% disagree, and 8% strongly disagree.

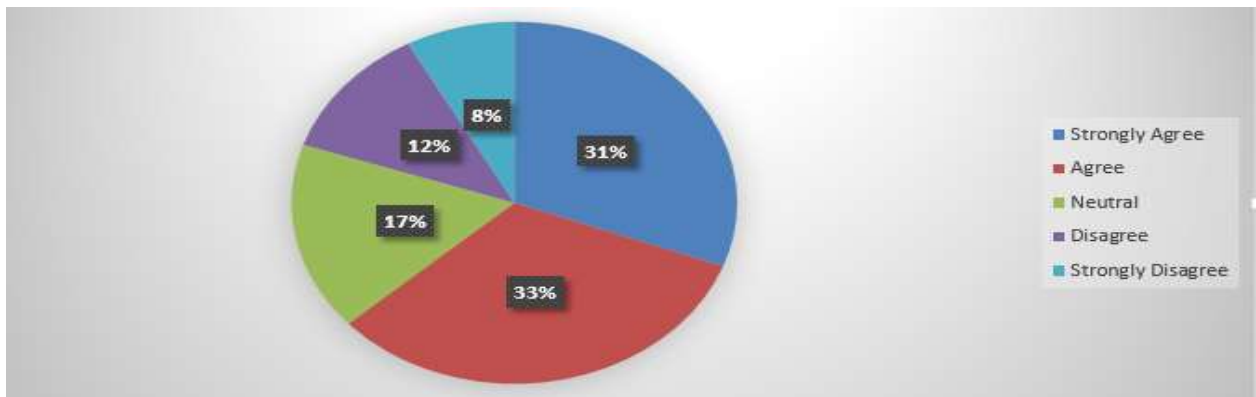


Figure 4. MFI provides financial services to help encourage entrepreneurs in impoverished nations to act on their ideas

Source: Primary Data

Microfinance: Empowering the Poor and Promoting Equality through Access to Financial Services

Table 5. Microfinance is the most effective solution to poverty and inequality

Indicator	Frequency	Percent
Strongly Agree	32	27%
Agree	40	33%
Neutral	27	23%
Disagree	12	10%
Strongly Disagree	9	8%
Total	120	100

Source: Primary Data

Based on Table 5 and Figure 5, it can be inferred that most of the respondents (60% in total) agreed or strongly agreed that microfinance is an effective solution to poverty and inequality. This is supported by the fact that 27% of respondents strongly agreed with this statement, while 33% agreed. However, there were still a significant number of

respondents who were neutral (23%), disagreed (10%), or strongly disagreed (8%).

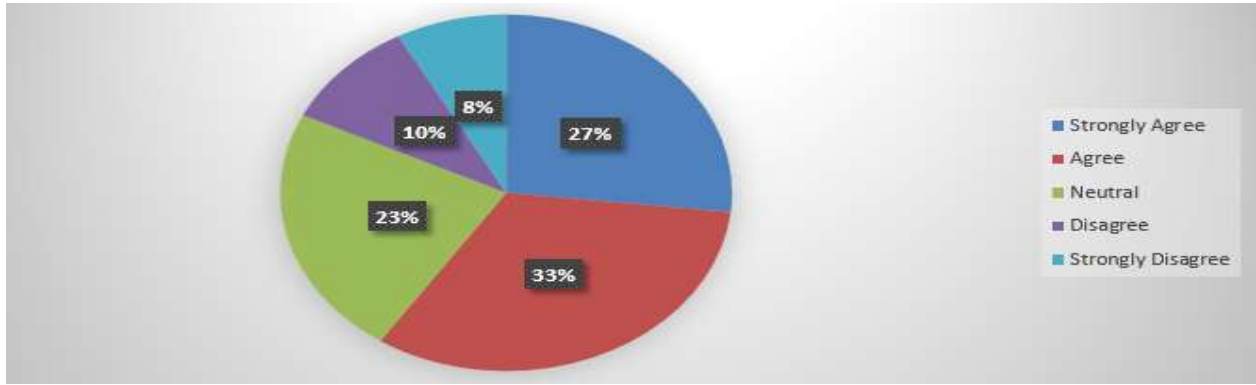


Figure 5. Microfinance is the most effective solution to poverty and inequality
Source: Primary Data

Microfinance and Financial Inclusion: Increasing Household Autonomy in Financial Decision-Making

Table 6. Microfinance give households more freedom in their financial decision

Indicator	Frequency	Percent
Strongly Agree	38	32%
Agree	34	28%
Neutral	27	23%
Disagree	10	8%
Strongly Disagree	11	9%
Total	120	100

Source: Primary Data

Based on the data presented in Table 6 and Figure 6, it can be inferred that the majority of respondents agreed that microfinance provides households with greater financial decision-making autonomy. Specifically, 32% of respondents strongly agreed and 28% agreed with the statement, while 23% remained neutral, and 8% and 9% disagreed or strongly disagreed, respectively.

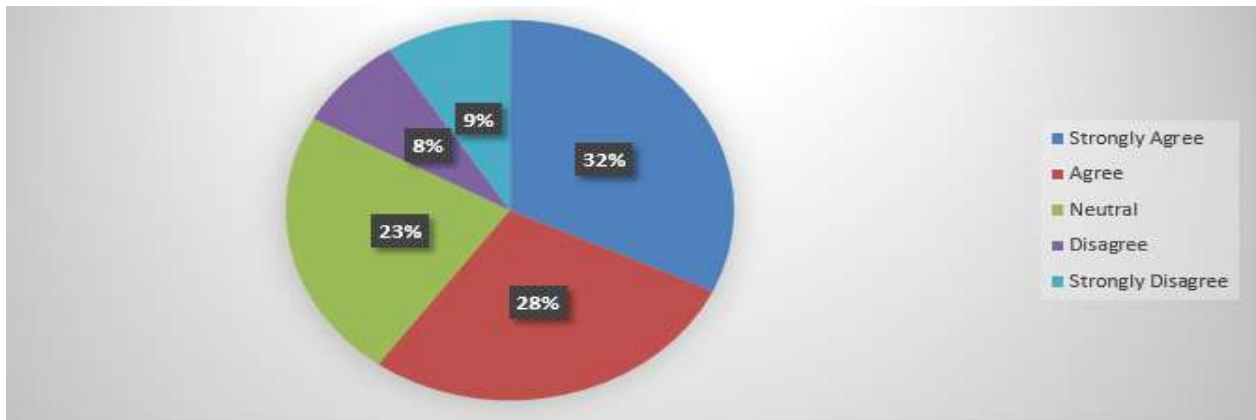


Figure 6. Microfinance give households more freedom in their financial decision
Source: Primary Data

Microfinance as a Catalyst for Economic Development: Empirical Evidence and Future Prospects

Table 7. Microfinance has proven itself as a strong stimulant to economic development

Indicator	Frequency	Percent
Strongly Agree	38	32%
Agree	34	28%
Neutral	24	20%
Disagree	13	11%
Strongly Disagree	11	9%
Total	120	100

Source: Primary Data

Based on Table 7 and Figure 7 above, it can be inferred that a majority of the respondents agreed with the statement that microfinance is a powerful driver of economic development. Specifically, 32% of the respondents strongly agreed and 28% agreed, while 20% responded neutrally, 11% disagreed, and 9% strongly disagreed.

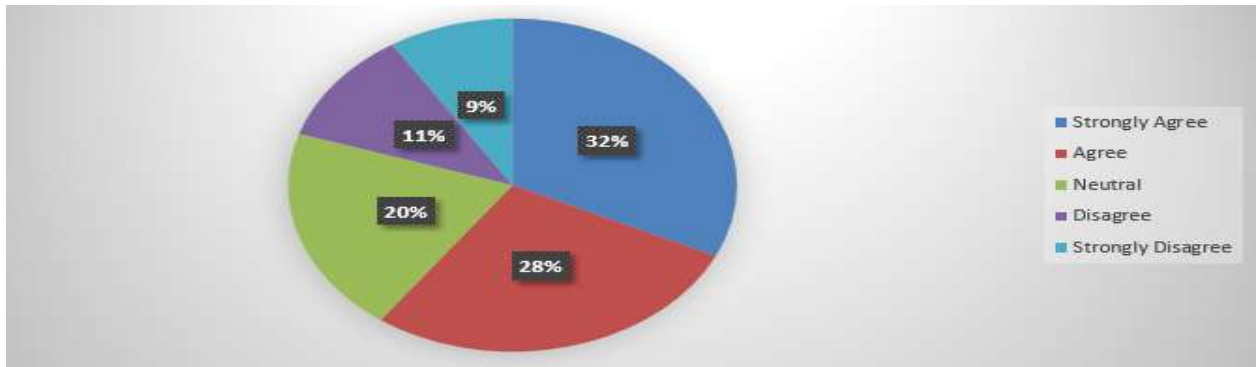


Figure 7. Microfinance has proven itself as a strong stimulant to economic development
Source: Primary Data

Microfinance: Promoting Financial Stability and Savings Culture among Low-Income Households

Table 8. Microfinance helps low-income households to stabilize their income flows and save for future needs

Indicator	Frequency	Percent
Strongly Agree	46	38%
Agree	33	28%
Neutral	27	23%
Disagree	10	8%
Strongly Disagree	4	3%
Total	120	100

Source: Primary Data

The data presented in Table 8 and Figure 8 indicate that the majority of respondents (66%) agreed that microfinance has a positive impact on the ability of low-income households to stabilize their income and save for future needs. More specifically, 38% of respondents strongly agreed and 28% agreed, while 23% were neutral, 8% disagreed, and 3% strongly disagreed.

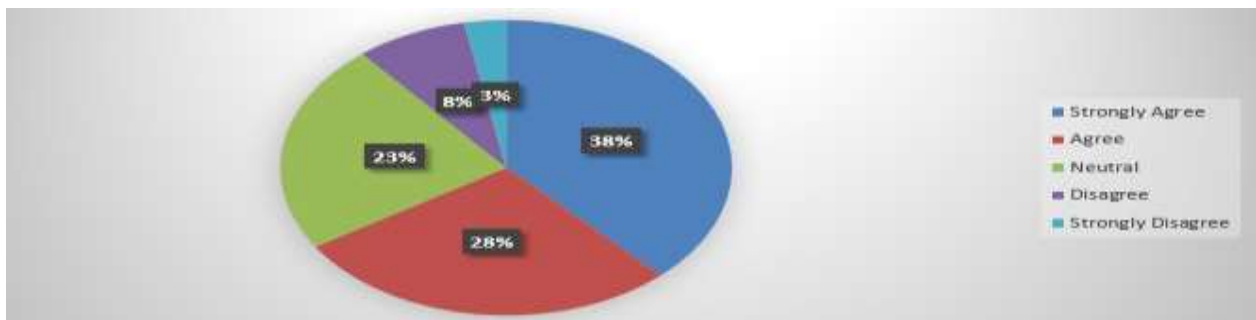


Table 8. Microfinance helps low-income households to stabilize their income flows and save for future needs
Source: Primary Data

CONCLUSIONS

This research focused on exploring the impact of microfinance on job creation and had three main objectives. The study aimed to investigate how microfinance contributes to the growth of businesses, the acquisition of better housing, access to affordable healthcare, education, and improved welfare. The study found that larger loan amounts resulted in increased savings that could be utilized to improve living standards, and the funds could also increase annually to support larger credit limits.

The research concluded that microfinance services could significantly benefit the country by reducing poverty. In particular, training provided by MFIs to help customers acquire skills and knowledge on saving was found to be beneficial to the majority of microfinance institution clients who were in informal employment.

- The study proposes that MFIs operating within states should be supported with finances so they can offer loans to locals and facilitate rapid economic growth.
- The government of Somalia should review and update their policies on MFIs to address the changing banking industry.
- It is suggested that microfinance programs should be designed in a way that meets the specific needs of their target customers, who are typically poor.
- If the government offers incentives such as tax exemptions, subsidies, and streamlined business registration procedures, MSMEs in Somalia could thrive.

- The government should also implement strict measures to prevent corruption and other unethical practices in microfinance programs.

Finally, by tackling problems like political unrest, and shoddy infrastructure, governments can attempt to establish a climate that is conducive to business. These steps could encourage investment and foster an advantageous business environment that encourages job creation and economic expansion in Somalia.

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