



**INFRASTRUCTURE DEVELOPMENT AND ECONOMIC DEVELOPMENT IN HODON DISTRICT MOGADISHU,
SOMALIA**

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ABSTRACT

A country's economic development is closely related to the levels of achievement in infrastructure development. The general objective of the study was to determine the effect of infrastructure development on economic development of Hodan district in Mogadishu – Somalia. The specific objectives were to assess the effect of education infrastructure development, to determine the effect of health care infrastructure development, to establish the effect of telecommunications infrastructure development and to determine the effect of transport infrastructure development on economic development of Hodan district in Mogadishu – Somalia. This study used human capital theory, unbalanced growth theory, structural change, patterns of development theory and privatization and commercialization theory. The study recommended that the government of Somalis should increase investment education infrastructure development, health care infrastructure development, telecommunications infrastructure development, and transport infrastructure development so as to increase economic development in Hodan district.

Key Words: *Development, Education, Infrastructure, Health Care, Telecommunications, Transport Infrastructure, Economic*

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INTRODUCTION

Economic Development refers to the overall growth and progress of countries' economies, encompassing various factors such as GDP growth, employment rates, poverty reduction, and standard of living improvements. This development is driven by a complex interplay of factors, including technological advancements, trade policies, investment flows, and government interventions. It involves not just the growth of economies but also the equitable distribution of wealth and opportunities within and across nations. Achieving sustainable global economic development requires addressing challenges such as income inequality, environmental degradation, and access to education and healthcare. According to the World Bank, the goal of global economic development is to "end extreme poverty and promote shared prosperity in a sustainable way," emphasizing the importance of inclusive growth that benefits all segments of society (Familoni, 2015).

Various international organizations play crucial roles in facilitating global economic development. The International Monetary Fund (IMF) and the World Bank are central to providing financial assistance and policy advice to countries, especially those in need of support to stabilize their economies and foster growth. Additionally, the World Trade Organization (WTO) plays a vital role in promoting global trade by reducing trade barriers and facilitating negotiations among member countries. Collaborative efforts through platforms like the United Nations Sustainable Development Goals (SDGs) provide a framework for countries to work together towards common objectives, such as eradicating poverty, ensuring access to education and healthcare, and fostering sustainable economic growth (United Nations Development Programme, 2018). These organizations and initiatives highlight the interconnectedness of global economies and the importance of cooperation to address the multifaceted challenges of economic development.

A country's economic development is closely related to the levels of achievement in education, technology and skills. In as much as economic infrastructure has an important role in economic development, the improvement of social infrastructure is vital for economic progress. The other constituent of social infrastructure is health. Health conditions also play a vital role in a country's capacity for economic development. Many studies document the contribution of health and education to economic development. The economic attainments of Europe, North America, Japan and East Asia are inconceivable without their attainments in education and skills. Improvements in education and health are so well recognized as contributing to economic development that they are considered investments in human capital that is comparable to the physical means of production such as factories and machines.

Global Economic Development

Global economic development refers to the process by which countries improve the economic, political, and social well-being of their populations. This involves increasing production, creating more jobs, raising incomes, and improving standards of living. It also encompasses reducing poverty, inequality, and environmental degradation. Global economic development is a multifaceted endeavor that involves a range of factors such as infrastructure development, investment in education and healthcare, technological advancements, and trade liberalization. The United Nations Sustainable Development Goals (SDGs) provide a framework for global economic development, aiming to address issues like poverty, hunger, health, education, gender equality, clean water, and sanitation, among others (United Nations, 2021). Economic development in the USA has been characterized by a diverse and innovative economy, driven by sectors like technology, finance, healthcare, and manufacturing. The country's development has been influenced by factors such as entrepreneurship, a strong emphasis on research and development, and a well-developed

infrastructure. The USA has a capitalist market economy that encourages private enterprise, competition, and innovation, leading to significant economic growth over the years. Policies such as tax reforms, deregulation, and trade agreements have also played a role in shaping economic development. However, challenges such as income inequality, regional disparities, and access to healthcare and education persist, highlighting ongoing efforts to ensure inclusive and sustainable economic growth (U.S. Department of Commerce, 2020).

Economic development in the United Kingdom (UK) encompasses a rich history of industrialization, trade, and innovation. The UK has a diverse economy, with key sectors including finance, manufacturing, healthcare, education, and technology. Over the years, economic development has been driven by factors such as a strong financial services sector centered in London, technological advancements, and a focus on global trade. The UK has historically been a leader in industrialization, with the Industrial Revolution of the 18th and 19th centuries playing a pivotal role in its economic growth. This period saw the rise of manufacturing, textile production, and innovations in machinery and transportation. In modern times, economic development in the UK has been characterized by a shift towards a more services-based economy. London, as a global financial hub, contributes significantly to the UK's GDP (Office for National Statistics, 2021).

Regional Economic Development

Nigeria, as the largest economy in Africa, is rich in natural resources, particularly oil. The oil sector has historically been a major driver of economic growth and government revenue. However, this heavy reliance on oil has also exposed the economy to volatility due to fluctuations in oil prices. Over the years, economic development efforts in Nigeria have focused on diversifying the economy away from oil and improving sectors like agriculture, manufacturing, and services. Agriculture remains a

significant part of Nigeria's economy, with the country being one of the world's largest producers of commodities like cocoa, cassava, and palm oil. Efforts to boost agricultural productivity and value-added processing have been ongoing, aimed at reducing food imports and creating jobs. Additionally, there has been a push to develop the manufacturing sector to reduce dependence on imported goods and promote local production. Initiatives to improve infrastructure, attract foreign investment, and promote entrepreneurship and small businesses are part of the broader strategy to drive economic growth and improve the standard of living for Nigerians (World Bank, 2020)

South Africa has a diverse economy, rich in natural resources such as gold, platinum, and diamonds. Since the democratic transition, efforts have been made to promote inclusive growth and address historical inequalities through various policies and initiatives. One of the key pillars of economic development in South Africa has been the promotion of Black Economic Empowerment (BEE) policies. These policies aim to redress the imbalances of the past by increasing the participation of previously disadvantaged groups, particularly Black South Africans, in the economy. BEE includes measures such as preferential procurement, skills development, ownership schemes, and employment equity. While BEE has made strides in creating a more inclusive economy, there are debates about its effectiveness and the need for continuous improvement. South Africa's economy is diversified, with sectors such as mining, agriculture, manufacturing, and services contributing to its GDP. The National Development Plan (NDP) was created to address challenges and stimulate economic growth through reducing poverty, inequality, and unemployment through infrastructure development, education and skills training, investment and Foreign direct investment (FDI) in key sectors (World Bank, 2021).

Kenya as one of the largest economies in East Africa, has a diverse economy with key sectors

including agriculture, manufacturing, services, and a growing technology industry. The country has also made significant strides in infrastructure development, particularly in transportation and communication. Agriculture remains a crucial sector in Kenya's economy, employing a large percentage of the population and contributing significantly to GDP. The country is a major exporter of tea, coffee, and horticultural products. Efforts to modernize agriculture through technology adoption, irrigation schemes, and value addition have been ongoing to boost productivity and income for farmers. In recent years, Kenya has emerged as a regional hub for technology and innovation, particularly with the success of mobile money service M-Pesa. The technology sector, including fintech, e-commerce, and software development, has experienced rapid growth and attracted international investment. This has contributed to job creation, entrepreneurship, and diversification of the economy (World Bank, 2021).

Economic Development in Somalia

Economic development in Somalia has been greatly affected by decades of conflict, instability, and weak governance. The country has faced significant challenges in rebuilding its economy and infrastructure, but there have been some signs of progress in recent years. Somalia's economy is largely based on agriculture, livestock, and fishing, which are the main sources of livelihood for a majority of the population. The country is also known for its vibrant informal economy, including trade and remittances from Somalis abroad. However, the agriculture sector has been hampered by frequent droughts, inadequate infrastructure, and lack of investment. The country has a growing telecommunications sector, with mobile money services like Hormuud and EVC Plus becoming widely used for financial transactions. This has improved financial inclusion and provided opportunities for entrepreneurship. The Somali government, in collaboration with international partners, has been working to rebuild the country's infrastructure and institutions. Efforts to establish

stability, improve security, and attract foreign investment are ongoing (World Bank, 2021). The Somali Compact, a framework for development cooperation, outlines key priorities such as economic foundations, inclusive politics, security, and justice. In recent years, there have been efforts to address these challenges through initiatives like the New Deal for Somalia and the National Development Plan (NDP). These frameworks aim to promote inclusive growth, job creation, and poverty reduction. The Somali government has also been working on reforms to improve governance, enhance public financial management, and create an enabling environment for business and investment (UN- development program, 2013).

Statement of the Problem

Somalia, a country plagued by decades of conflict, instability, and weak governance, stands at a critical juncture in its economic development trajectory. Despite natural resources such as agriculture, livestock, and fishing, the economy struggles to gain traction due to a myriad of challenges. Chief among these is the pervasive weakness in infrastructure, a factor that inhibits the efficient movement of goods and services across the country. Roads, ports, and airports are often dilapidated or non-existent in many regions, hindering trade and economic activity. This lack of infrastructure not only stifles domestic production and trade but also limits Somalia's ability to engage in international commerce. Additionally, Somalia grapples with a severe lack of access to basic services such as healthcare and education. The healthcare system is rudimentary at best, with limited facilities and medical professionals available, particularly in rural areas. Education, a cornerstone of economic development, faces similar challenges. The education system is fragmented, with a shortage of schools, teachers, and resources. This limits the population's capacity for skill development and upward mobility, hindering the potential for a more diversified and skilled workforce (World Bank, 2021).

High levels of poverty and unemployment further exacerbate Somalia's economic woes. The majority of the population relies on subsistence agriculture, with limited access to markets and technology to improve productivity. The economy is also heavily reliant on the informal sector, which accounts for a significant portion of economic activity. While this sector provides livelihoods for many Somalis, it lacks regulation and formalization, making it difficult to capture its full economic potential (Williams, 2016). The 2012 Human Development Report estimates per capita GDP at \$284 - against a sub-Saharan Africa average of \$1,300 per capita. Poverty incidence is 73% (61% in urban centers and 80% in rural areas) (UNDP, 2012). These factors hinder the country's ability to achieve sustainable and inclusive growth, hampering progress towards improving living standards and reducing poverty. Addressing these challenges is crucial for Somalia's economic development and the well-being of its population (World Bank, 2022)

Research Objectives

The general objective of the study was to find out the effect of infrastructural development on economic development of Hodan district Mogadishu, Somalia. The specific objectives were;

- To assess the effect of education infrastructure development on economic development of Hodan district Mogadishu, Somalia.
- To determine the effect of health infrastructure development on economic development of Hodan district Mogadishu, Somalia.
- To establish the effect of transport infrastructure development on economic development of Hodan district Mogadishu, Somalia.
- To find out the effect of telecommunication infrastructure development on economic development of Hodan district in Mogadishu, Somalia

Hypothesis Testing

The study tested the following null hypothesis.

- H_0 : Education infrastructure development has no significant effect on economic development of Hodan district Mogadishu, Somalia.
- H_1 : Health infrastructure development has no significant effect on economic development of Hodan district Mogadishu, Somalia.
- H_2 : Transport infrastructure development has no significant effect on economic development of Hodan district Mogadishu, Somalia.
- H_3 : Telecommunication infrastructure development has no significant effect on economic development of Hodan district Mogadishu, Somalia.

LITERATURE REVIEW

Theoretical review

Human Capital Theory (HCT)

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, 2013). 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 (Mark Taylor, 2014). The theory 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 (Adams T. L., 2010). 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 (Adams T. L., 2010). 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, 2015).

Unbalanced Growth Theory (UGT)

According to the theory of unbalanced growth by Albert O. Hirschman, no LDC has sufficient endowment of resources as to enable it invest simultaneously in all sectors of the economy in order to achieve balanced growth. Balanced growth is a doctrine previously advanced by Rosenstein-Rodan in his 1943 article on "Problems of Industrialization of Eastern and South-Eastern Europe" and developed by Ragnar Nurkse in his important study of Problems of Capital Formation in under developed Countries. Developing Rostow's leading sector thesis, Hirschman maintains that "investments in strategically selected industries or sectors of the economy will lead to new investment opportunities and so pave the way to further economic development". Hirschman identified convergent and divergent series of investments. Convergent series of investments are those projects that appropriate more external economies than they create while divergent series create more external economies than they appropriate.

Structural Change and Patterns of Development Theory

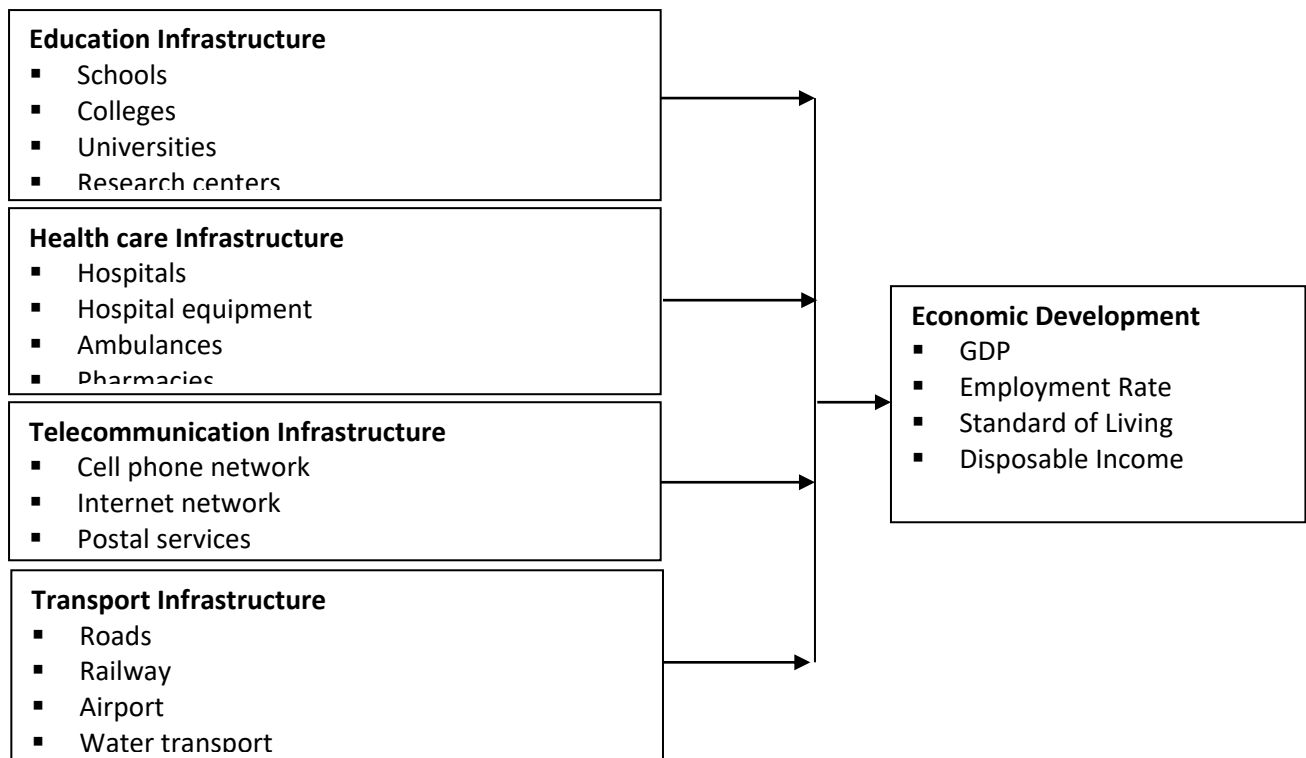
The transformation of an underdeveloped to a developed economy can be defined "by the set of structural changes required to sustain a continuing increase in income and social welfare" (Chenery, 1982). Although these requirements tend to vary according to country characteristics -such as natural endowments and each country's social objectives-

there exist factors that, hypothetically, produce a degree of uniformity in this transition. Such factors include the changes in consumer patterns with the level of income, the need to accumulate physical and human capital to increase output and the access to common sources of technology and international trade. This focused on the sequential process of economic, industrial and institutional change. The model assumes that savings and investment are necessary but not sufficient for economic growth. In Structural Change and Pattern of Development, in addition to the accumulation of capital, both physical and human, a set of interrelated changes in the economic structure of the country are required for the transition from a traditional economic system to a modern one.

Privatization and Commercialization Theory (PCT)

Privatization and commercialization strategy is a latter-day form of the classical laissez – faire policy or strategy of development. The concept embraces deregulation of the economy so as to encourage private initiative and boost productivity and efficiency. The key elements are the "disengagement of government from the ownership of hither to state-owned enterprises (SOEs) and the concomitant sale of such to private entrepreneurs" The organized private sector becomes the driving force or the engine of development and growth while the government's role is reduced to that of a catalyst responsible for the creation of an enabling environment for the growth of the economy. From a global perspective, this is a strategy of development through a more efficient pattern of resource allocation by a free interplay of market forces. Deregulation encourages competition and, in this way, a greater quantum of economic and social overhead capital or infrastructures will be built up in a more efficient and competitive market environment.

Conceptual Framework



Independent Variables

Dependent Variable

Figure 1: Conceptual Framework

Review of Variables

This part covered literature on education infrastructure, health infrastructure, transport infrastructure, telecommunication infrastructure and economic development.

Education Infrastructural Development and Economic Development

Poverty is a stumbling block in the way of achieving economic development. Cognizant of the essence of Millennium Development Goals (MDGs) and 'Education for All' program, education was promulgated as the primary weapon against poverty prevalence. Hence it is important to seek out the effect of different levels of education upon poverty in Somalia. It is found that experience and educational achievement is negatively related with the poverty incidence. Also as the level of education increases, the chances of a person being non-poor increase (Malik, 2014). The thought that education and human capital are essential for economic growth (and finally, for poverty reduction) gained

much importance in the mid-1990s because the economic progress of East Asian countries (Singapore, Hong Kong, The Republic of Korea and Taiwan) in 1970s and 1980s was primarily due to their investment in education and human capital formation. Education and poverty are inversely related. The higher the level of education of the population, lesser will be the number of poor persons because education imparts knowledge and skills which is supportive in higher wages. The direct effect of education on poverty reduction is through increasing the earnings/income or wages. The indirect effect of education on poverty is important with respect to 'human poverty' because as education improves the income, the fulfillment of basic necessities becomes easier and raises the living standard which surely means the fall in human poverty. (World Bank, 1993)

Higher Education has direct benefits for economies. By producing well-trained teachers, it can enhance the quality of primary and secondary education

systems and give secondary graduates greater opportunities for economic advancement. By training physicians and other health workers, it can improve a society's health, raising productivity at work. And by nurturing governance and leadership skills, it can provide countries with the talented individuals needed to establish a policy environment favorable to growth. Setting up robust and fair legal and political institutions and making them a part of a country's fabric, and developing a culture of job and business creation, for example, call for advanced knowledge and decision-making skills. Addressing environmental problems and improving security against internal and external threats also place a premium on the skills that advanced education is best placed to deliver.

Health Care Infrastructural Development and Economic Development

Health is a key determinant of economic growth and development, while ill health is both a cause and effect of poverty. Aside from the serious consequences for social welfare, ill health deprives developing countries of human resources and the high cost of ill health reduces economic growth and limits the resources governments have available for investment in public health. As a result, improving health in developing countries is essential in order to reduce poverty, providing more care options in underserved areas is to increase the number of Health Centers Community Health Centers have been proved to be a successful way to provide care to the underserved (Wolf, 2011).

Finlay (2007) elucidates that health does play a role in economic development. He showed that health influences economic growth through education incentive effects. Finlay went further to say that individuals who are healthier live longer, and are encouraged to invest more in education, as returns to education can be enjoyed in the form of higher skilled wages. Baldacci (2004) explores the role played by health expenditures and found that spending on health within a period of time affects growth within that same period of time. Bloom et al. (2004) focus on the labour productivity effects of

health on economic growth, where improvements in health will lead to an increase in per capita income. Their main result is that health has a positive and significant effect on economic development. Empirically, a high level of public health goes paripassu with a high level of economic development.

Health is a basis for job productivity. Good health has a positive, sizable, and statistically significant effect on aggregate output. Workers' productivity is being enhanced by increasing not just their physical capacities, such as strength and endurance, but also increasing their mental capabilities, such as cognitive functioning and reasoning ability (Bloom, 2006). Healthier workers are more productive and earn higher wages. They are also less likely to be absent from work because of illnesses. Illness and disability reduce hourly wages substantially, with the effect especially strong in developing countries, where a higher proportion of the work force is engaged in manual labour than in industrial countries (Canning, 2006). Health is a vitally important form of human capital and deserves a high level of attention in the development processes of DVCs. A better health increases labour productivity which in turn leads to improved wages.

Telecommunication Infrastructure Development and Economic Development

Communication is the core activity of human association in general and progress as well as development in particular. No human life can exist in isolation. A man can survive only in society and the survival in society is possible with communication. Therefore, communication is identified as the oldest continued activity of human being since birth and goes on and on till death. More precisely, communication is the basic need of human beings and web of society which makes the survival, growth, progress and development of man possible and holds the society intact and progressive (Gruber & Koutroumpis, 2013). Communication is a vital part of personal life in the society. It is equally important in business, education, civilization, administration and other

situations where people encounter with each other to satisfy their needs and wishes. Communication maintains and animates the life. It leads people from instinct to inspiration, through process and system of enquiry, command and control. It creates a common pool of ideas, strengthens the feeling of togetherness through the exchange of messages and translates through into action (Muto, 2008). As the world has advanced, the task of communication has become more complex. However, unless some basic structural changes are introduced, the potential benefits of technological and communication development will hardly be put at disposal of the majority of mankind. The rural poverty and its related incidences may decline if one puts efforts for sustained growth in agricultural production. The extension communication system and network is the key input in increasing the performance in agricultural production. Therefore, the communication is the most powerful input which brings substantial development in socio-economic status of an individual (Sridhar & Sridhar, 2010).

Transport Infrastructure Development and Economic Development

Historically, improved transport technology and transport networks through their effects on transport costs, access and connectivity, have been major factors underpinning economic growth and opening up formerly isolated areas to people and economic activity. In the absence of other factors that can support economic growth in the region. Indeed, better transport can be a two-way road, by exposing relatively remote localities to greater competition from imports 'of goods and services produced elsewhere and intensifying the pressures for movements of labour out of the area (Coleman, 2010). The principal role of transport is to provide access between spatially separated locations for the business and household sectors, for both commodity (freight) and person movements. For the business sector, this involves connections between businesses and their input sources,

between businesses and other businesses, and between businesses and their markets. For the household sector, it provides people with access to workplaces and education facilities, shops, and social, recreational, community and medical facilities (Garcia & Levy, 2008).

The direct effects of transport investment are to reduce transport time and costs through reducing travel times, decreasing the operating costs of transport and enhancing access to destinations within the network. In particular, lower costs and enhanced accessibility, due to better transport links and services, expand markets for individual transport-using businesses and improve their access to supplier inputs. Increased access and connectivity create increased opportunities for trade, competition and specialization, which can lead to longer-term productivity gains (Hummels, 2007).

METHODOLOGY

The target population of this study was 11,438 residents of Hodan District and Neyman allocation sample formulae was used to arrive at a sample size of 384 staff. Structured questionnaire with a five Linkert point scale was administered to the respondents. The multiple linear regression model was used and the model was as follows;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \dots\dots\dots 1$$

Y= Economic development of Somalia

X₁= Education Infrastructure Development

X₂= Health Care Infrastructure Development

X₃ = Telecommunications Infrastructure Development

X₄= Transport Infrastructure Development

ε: Error term; β₀: Intercept; β_i: coefficient of the independent variable *i* which measures the responsiveness of *Y* to changes in *i*.

PRESENTATION AND DISCUSSION OF FINDINGS

Descriptive Analysis

This part presented the descriptive results on the dependent and independent variables.

Infrastructure Development on Economic Development

Table 1: Infrastructure Development on Economic Development

	N	Mean	Std. Deviation
Education Infrastructure Development	384	3.904	.7595
Health care Infrastructure Development	384	3.875	.893
Telecommunication Infrastructure Development	384	3.908	1.059
Transport Infrastructure Development	384	3.842	1.018
Economic Development	384	3.668	1.059

Descriptive results indicated that education infrastructure development, healthcare infrastructure development, telecommunication infrastructure development and transport infrastructure development positively affect economic development in Somalia.

Correlation Analysis Results

Table 2 results shows the correlations of infrastructure development and economic development in Somalia

Table 2: Correlation Analysis Results

		EI	HI	TI	Telecom I	ED
EID	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	384				
HID	Pearson Correlation	.027	1			
	Sig. (2-tailed)	.604				
	N	384	384			
TCD	Pearson Correlation	.080	.076	1		
	Sig. (2-tailed)	.119	.126			
	N	384	384	384		
TPD	Pearson Correlation	.082	.078	.091	1	
	Sig. (2-tailed)	.118	.128	.533		
	N	384	384	384	384	
ED	Pearson Correlation	.582**	.780**	.109*	.900**	1
	Sig. (2-tailed)	.000	.000	.033	.000	
	N	384	384	384	384	384

** . Correlation is significant at the 0.01 level (2-tailed).

The results indicate that infrastructure development is positively and significantly associated with economic development in Somalia at 0.05 level of significant. The positive association between infrastructure development and economic development implied that each of the infrastructure

development constructs have a positive economic development outcome. Education infrastructure development ($r=.582$, $p=.000$), health care infrastructure development ($r=.780$, $p=.000$), telecommunications infrastructure development ($r=.109$, $p=.033$) and transport infrastructure

development ($r=.900$, $p=.000$) were all positively and significantly correlated with economic development in Somalia. This implies that an improvement on the infrastructure development constructs leads to increased economic development in Somalia.

Model Summary

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.905 ^a	.952	.951	.198

a. Predictors: (Constant), Telecommunication infrastructure Development, Transport infrastructure development, Health care infrastructure Development, Education infrastructure development.

From the empirical model summary Table 4 results, the adjusted R-square is $R^2 = .951$ indicating that infrastructure development explains 95.1% of economic development while the remaining 4.9% is explained by factors outside of this model.

Multiple Linear Regression Analysis

Multiple linear regression analysis was used to assess the effect of social infrastructure on economic development in Somalia. The model summary and the ANOVA were first reported.

ANOVA

From ANOVA test the study indicated that there is no significant differences in the variables studied indicating that the model was significant in explaining the relationship between the dependent and independent variables as shown by level of significance of 0.001 which is less than 0.05.

Table 4: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	144.459	4	36.115	923.076	.001 ^b
	Residual	14.947	379	.039		
	Total	158.406	383			

a. Dependent Variable: Economic Development

b. Predictors: (Constant), Telecommunication infrastructure Development, Transport infrastructure development, Health care infrastructure Development, Education infrastructure development

Multiple Regression Coefficients

Table 5: Multiple Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Hypothesis test
		B	Std. Error	Beta			
1	(Constant)	2.089	.290		3.097	.000	
	EID	.137	.047	.124	2.489	.007	RejectHo
	HID	.068	.051	.067	4.206	.002	RejectHo
	TCD	.059	.056	.055	3.910	.0296	RejectHo
	TID	.0157	.044	.015	2.022	.006	RejectHo

a. Dependent Variable: Providing social services improves on standard of living

From the regression analysis, the substitution of the regression values into the model is;

$$Y = 2.089 + 0.124X_1 + 0.067X_2 + 0.055X_3 + 0.015X_4$$

The results indicate that infrastructure development positively and significantly affect economic development in Somalia at 0.05 level of significant. Education infrastructure development ($\beta = .124$, $p=.007$), health care infrastructure

development ($r=.067, =.002$), telecommunications infrastructure development ($r=.055, p=.030$) and transport infrastructure development ($r=.0155, p=.006$) were all positively and significantly related with economic development in Somalia. This implies that an improvement on the infrastructure development constructs leads to increased economic development in Somalia. This further implies that all the null hypotheses (ho1, Ho2, Ho3 and Ho4) were all rejected as it was proofed that infrastructure development has significant effect on economic development in Somalia.

CONCLUSION AND RECOMMENDATION

The study concluded that;

- Education infrastructure development increases economic development in Hodan district in Mogadishu, Somalia.
- Health care infrastructure development increases economic development in Hodan district in Mogadishu, Somalia.
- Telecommunications infrastructure development increases economic

development in Hodan district in Mogadishu, Somalia.

- Transport infrastructure development increases economic development in Hodan district in Mogadishu, Somalia.

Based on the findings from this study, the following recommendations were made;

- The government of Somalia should invest in education infrastructure development so as to increase economic development Hodan district in Mogadishu, Somalia.
- The government of Somalia should invest in health care infrastructure development so as to increase economic development Hodan district in Mogadishu, Somalia.
- The government of Somalia should invest in telecommunications infrastructure development so as to increase economic development Hodan district in Mogadishu, Somalia.
- The government of Somalia should invest in transport infrastructure development so as to increase economic development Hodan district in Mogadishu, Somalia.

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