

**THE EFFECT OF BUSINESS INVESTMENT ON ECONOMIC GROWTH
IN MOGADISHU- SOMALIA**

BY

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This Report Presented in Partial Fulfillment of the Requirements for the Degree of Masters
of Science in Computer Science and Engineering

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BANGLADESH

2018

APPROVAL

This Thesis titled “**THE EFFECT OF BUSINESS INVESTMENT ON ECONOMIC GROWTH IN MOGADISHU- SOMALIA**”

submitted by **Shirwac Shire Hassan** to the Department of Computer Science and Engineering, Daffodil International University, has been accepted as satisfactory for the partial fulfillment of the requirements for the degree of Master of Science in Computer Science and Engineering and approved as to its style and contents The presentation has been held on 2018.

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DECLARATION

I hereby declare that, this thesis has been done by me under the supervision of **MD. Zahid Hasan Assistant Professor and Coordinator of MIS, Department of CSE,** Daffodil International University. I also declare that neither this thesis nor any part of this thesis has been submitted elsewhere for award of any degree or diploma.

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ACKNOWLEDGEMENT

First praise is to Allah, the Almighty, on whom ultimately, I depend for sustenance and guidance.

Second, my sincere appreciation goes to my thesis supervisor **MD. Zahid Hasan** Assistant Professor of CSE Department, for his patient guidance, helpful feedback and valuable suggestions during the development of this thesis.

I would like to express my heartiest gratitude to **Dr. Syed Akhter Hossain**, Head of Department of Computer Science and Engineering, for giving me an opportunity to carry out the research work, without him I should not have reached my goal and also to other faculty members and the staff of CSE department of Daffodil International University.

Let me take this opportunity to thank exam board members **Dr. Sheak Rashed Haider Noori**, **Md. Zahid Hasan** as internal examiners and **Dr. Mohammad Shorif Uddin** as external examiner. Thanks to Daffodil International University for the study opportunity and for the technical assistance during the last phase of finishing this thesis.

I am greatly indebted to my beloved Parents, my father **Shire Hassan** and my mother **Muhubo Ahmed** may Allah protect them; they are always very understanding and supportive on my choices. They love me more than themselves and have sacrificed so much to support me.

DEDICATION

To all my family members for their unconditional inspiration, support, encouragement and understanding throughout the research period. On a personal note, I would like to recognize members of the family: First of all, is my mother **Muhubo Ahmed**, she has many times given me the strength to move on. She always assured me that nothing is impossible and her prayers proved immensely encouraging. Second, my father **Shire Hassan**, who taught me that the best kind of knowledge to have is that which is learned for its own sake. and for supporting and encouraging me to believe in myself. Third, I would also like to mention my brothers, and my sisters. They gave me a sense of who I am and my position and value within the family.

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CHAPTER ONE

INTRODUCTION

1.0 Introduction

This study was investigate role of business investment on economic growth, This chapter explained, problem statement, purpose of the study, research question and objectives of the study, significance of the study and scope of the study, motivation, rationale of the study, expected outcome, and report layout .

1.1 Problem Statement

For less developed Countries (LDCs) like Somalia the fundamental challenge in their economy is how to achieve a large increase in output over a long period of time and improve the standard of living of their people so that there will be dramatic change in their economic, political and social conditions. To achieve this target, various tools are considered. Among these tools promoting investment is the most common one. Though investment is the primary engine of growth, all investments undertaken in an economy cannot be taken as productive and crucial to economic growth. Investment in an economy is composed of public and business investment.

Public investment refers to investment by the government sector primarily, not exclusively in the area of social and economic infrastructure. Business investment refers to investment by private business for the purpose of profit generation (Kumo, 2006).

1.2 Propose Of Study

This study investigated role of business investment on economic growth in Mogadishu-Somalia.

1.3 Objectives Of The Study

- To examine the effect of capital investment on economic growth.
- To identify effect of workforce improvement on economic growth.
- To examine effect of business investment on economic growth.

1.4 Research Questions

1. What is the effect of capital investment on economic growth?
2. What is the effect of workforce improvement on economic growth?
3. What is the effect of business investment on economic growth?

1.5 Scope Of The Study

1.5.1 Geographic Study

Geographically, the study was carried out in Somalia; it will concentrate on south central zone, specifically Mogadishu.

1.5.2 Time Scope

This is cross section survey design which was conducted during data of researcher was used data based on February 2017 up to April 2017.

1.5.3 Content Of Scope

This study was conducted in Banadir Somalia by focusing on the ministry of commerce.

Business investment contributes to future output; net investment, to economic growth, it contributes to current demand and current employment.

Capital investment are decisions that involve the purchase of items such as land, machinery, buildings, or equipment are among the most important decisions undertaken by the business manager.

1.6 Significance Of The Study

The result of this study was very essential for examine the role of business investment on economic growth with no corruption and electoral bias and also the study was useful for potential researcher as literatures, which are interesting to carry out for further study in this field.

- 1 Increase future reference
- 2 Bring new knowledge

1.7 Motivation

This research study will have implications at many levels. The result of this study was able to telecommunication companies to comprehend the connection between authoritative economic and representative's conduct and in brilliance advantage it might convey to association. This study is future to enhance the recognition toward the importance of business investment and to encourage telecommunication companies to practice. The study prepared the ground for further researcher in the areas of business investment on economic growth,.

CHAPTER TWO

LITERATURE REVIEW

2.0 INTRODUCTION

In This chapter, the researcher will focus on the review relate literature on the relationship between Business investment and Economic growth.

The review is conduct under the objective of the study and focus mainly on four section which are the definitions and concepts of Business investment and, definitions and concepts of economic growth.

2.1 Background Of The Study

The hypothesis of venture has stayed to be one of the disrupted issues in financial matters. Distinctive methodologies have been utilized to clarify the speculation conduct generally dependent on the experience of created nations. Subsequently, the term speculation has been characterized distinctively by various Economists.(Eisher, 1992)for occasion, characterized it as follows:

Investment is capital arrangement the procurement or making of assets to be utilized underway. In industrialist Economies much consideration is centered around business interest in physical capital building, gear and inventories. Be that as it may, speculation is additionally embraced by government, non-benefit establishments and families, and it incorporates the obtaining of human and elusive capital and in addition physical capital ((Eisher, 1992)

As indicated by (Maqbool, 2010), during the time spent exploring the monetary execution of a nation, one of the key determinants of financial development is speculation. Additionally, a large portion of the nations that develop quickly contribute a significant division of their Gross Domestic Product (GDP). Conversely, nations that grow gradually are those that put gradually in their economies and stay poor (Solow, 1956).

As per the United Nation (Un, 2005), venture atmosphere can be disclosed as access to fundamental physical framework, for example, power, phone, water and streets; access to data and warning administrations; higher work profitability; effective duty organization and expense rates; access to back; accessibility and moderateness of urban land; business controls and exchange help administrations, among different components. A decent speculation atmosphere gives openings and motivating forces to financial specialists to contribute beneficially, make employments, and extend national yield along these lines expanding private venture and monetary development (World Bank, 2004).

2.2 Related Works

By far most of these advancement examinations attempted to exhibit the general duty of various components of creation to the improvement strategy. Crosscountry examination and time game plan were used in all undertakings to show possible wellsprings of advancement. Conventionally, improvement related examinations are grasped by using cross section and board data proof. Such informational indexes are reprimanded for taking examples of changes nations varying generally in social, political and institutional qualities on a typical surface. Since the return of development hypothesis in monetary writing following Solow's spearheading work, different, observational and hypothetical examinations relating venture to financial development have been directed. These examinations demonstrate the diverse job of total interest over the long haul development and combination crosswise over nations (morgan, 1996)

2.3 Research Summary

The body of literature reviews in this chapter has concentrated on those theories and factors associated with Business investment and Economic growth. This chapter also examined the different theories and concepts as advanced by various experts between the capital investment, workforce improvement and Economic growth. Throughout the chapter, emphasizes where placed on showing how each of these dimensions examined are related.

2.3 Scope Of Problem

This research is limit for Telecommunication companies in Mogadishu – Somalia Somalia need to know that; an business investment is directed mainly by its founder and top management and develops over a long period of time and there may be challenges in the economic growth towards employee. So that companies may face major challenges include increasing absenteeism, turnover, decreasing commitment and loyalty of the economic.

the researcher has met some employee worked in telecommunication companies told them the problem mentioned above from Informal observation.

2.4 Economic Growth

deciding financial development are evaluated. Current writing for examining the determinants of development in a cross sectional, board or time arrangement information structure. In spite of the fact that there are different speculations, as referenced above, with respect to monetary development, in this area we will address the most generally connected models: the Neoclassical and Endogenous Growth Models.

2.5 Capital Investment

Capital venture alludes to subsidize invsted in a firm or interprise with the end goal of furtheringits business targets capital speculation may likewise allude to a firm securing resources or settled resources, for example, fabricating plants and apparatus that is relied upon to be profitable ever muny years Capital venture encompasses a wide assortment pf discovering choices Capital venture is worried about the creating with capital for the long time employments Organizations make nonstop capital venture to support existing activity and extend their business for what's to come

2.6 challenges

The challenge of financial development are altogether different in defferent nations and Somalia confront a specific set for issue the appear to be exceptionally unique from the issue looked in Nigeria or the issue looked in any nations

It would not be astute to cover all areas of the world with a similar become flushed there is a subset of nations in the developin world. For example, Bangladesh, china, these nations are balanced for developing

2.7 Concept Of Business Investment

In the event that you plan to profit you most likely plan to contribute there are various sorts of business speculation and numerous approaches to represent them.

. These advancements The Somali Investment Law is among the most aggressive universally and gives all financial specialists adaptable impetuses to guarantee every one of their needs are met successfully and productively. It likewise gives different motivating forces to all financial specialists that put resources into our key national need divisions, for example, those contained in this record. SomInvest, the speculation advancement office of the legislature of Somalia working inside the Ministry of Foreign Affairs and Investment Promotion, will be a one stop shop which gives far reaching data, exhortation and help to every single remote speculator. (MFA, 2016)

Somalia's economy, with 75 percent joblessness and an administration in Mogadishu simply starting to work, faces incalculable requirements; the accompanying emerge.

The crumble of government in Mogadishu in 1991 is felt inside and out. Social administrations have vanished or are being provided secretly. This works now and again however flops, for instance, to teach the individuals who can't bear to pay. Streets, ports, dams, surge control structures and water system frameworks have crumbled from absence of support. There has been no expert to build up or authorize the standards of the street for players in the economy and accordingly no security for rivalry, no free authorization of agreements or confirmation of money related straightforwardness, i.e. none of the measures that assistance ensure that the activities of organizations and speculators eventually advantage all. The low beginning stage to reconstruct the capacities of government in Mogadishu, and also the Somalis' irresoluteness about solid government, imply that legislature will be restricted under any situation in Somalia. Unconventional ways to deal with giving open merchandise and open request may subsequently be required. (USAID, 2014)

Studies directed in Somalia utilizing renowned development models to relate development of yield to the job of capital arrangement, among different factors, for example, work constrain development, imported sources of info, and specialized advancement did not recognize the business and open part of speculation. Thus it is unimaginable to expect to decide whether approaches intended to energize business speculation to the detriment of open venture will essentially enhance the development rate. Regardless of whether business division speculation is increasingly profitable and proficient, the judgment must be founded on experimental proof. In

this way Current examination will explore the job of business venture on financial development in Mogadishu-Somalia.

2.8 Workforce Improvement

In the course of recent decades, the hole in income among more and less-instructed American laborers rose.¹ The quantity of grown-up specialists in low-wage occupations likewise climbed—halfway in light of the developing supply of these specialists, related with welfare change and movement (among different powers), and somewhat due to developing interest for specialists in low-paying jobs.² And, in any event among less-taught and minority men, the number with criminal records and different attributes that make them difficult to utilize developed drastically too. An accord has created among financial specialists and approach investigators on the expanded significance that workforce abilities play in clarifying the work showcase issues of the impeded. The absence of aptitudes and instructive qualifications among distraught racial and ethnic minorities and the poor adds to their low work and profit and represses their capacity to progress in the work advertise. Accordingly, numerous policymakers and scientists have proposed expanded open interests in enhancing early instruction openings, transforming school rehearses in the K-12 years, and enhancing access to advanced education. (S.Wisley, 1994)

Interestingly, less help has risen for the contention that "workforce improvement" (or business and preparing) programs raise work and profit for distraught youth and grown-ups. Business and preparing projects can be characterized as any sort of training or work encounter that specifically plans specialists for explicit occupations or occupations, and conceivably incorporates numerous kinds of exercises that can happen in the classroom or at work, both formally and casually, for laborers either as of now utilized or not employed.³ The more extensive idea of workforce advancement may likewise incorporate a scope of work administrations, including pre-work appraisals and employment situation help and additionally post-work underpins, for example, help with tyke care or transportation. Government financing of these endeavors has fallen after some time in genuine terms and particularly with respect to the span of the economy, despite the fact that the monetary prizes to abilities have developed. Why has bolster for workforce improvement approaches fallen as an antipoverty system? What are the latest advancements in the field, (S.Wisley, 1994)

CHAPTER THREE

METHODOLOGY

3.0 INTRODUCTION

This chapter was discussed the methodology of the study. The chapter consists of seven sections. First section, the study presents research design followed by research population including sample size and sampling procedure. To verify the technique, the third section provides research instrument with the validity and reliability of the instrument followed by data gathering procedures. To analyze the data, section five presents data analysis followed by the ethical consideration of the study, while final section presented the limitations/suffers of the study.

3.1 Research Design

This study was conducted by using the descriptive research design to investigate the relationship between business investment and economic growth. The study was used cross sectional case study as research strategy because it was based on variables measured with numbers and analysis with statistical procedures and it's useful for resource and time available to researcher.

3.2 Population

The population of this study was the Staff of commerce ministry of Somalia It has selected from the ministry office in Mogadishu Somalia. Therefore the target population of this study was 80 respondents.

3.2.1 Sample Size

The sample size was consisted of 80 staff of the ministry, to determine the best sample size for the population, and the sample size of this study is 80 respondents. A justification of sample size,

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because the researchers used Slovene's formula, $n = \frac{Ne^2}{Ne^2 + 2}$ = 80. Therefore,

the sample size of this study will be 80 respondents.

3.2.2 Sampling Procedure

The study was used no probability, purposive sampling to select the respondents of the research instruments through the following criteria for the fieldworkers:

- a. Experience.
- b. Working with MOC for two years and above.
- c. Staying inside the country especially Somalia-Mogadishu.

Why the researcher has chosen these criteria is that he believed they have the information and the data he will gathering.

.

3.4 Data Gathering Procedure

This study the data was collected from 80 respondents of the commerce ministry of federal institution of Somali government in Mogadishu-Somalia. The data was collected by hand and the researcher is responsible for this collection when collecting the data.

3.5 Data Analysis

The data on complete mixed questionnaire was categorized or coded and was entered into a computer for the Statistical Package for Social Scientists (SPSS) to summarize the data using simple and complex frequency tables. The same package used to analyze by computing relative frequencies, means, and standard deviations.

3.6 Ethical Consideration

Key ethical issues such as privacy, anonymity of the respondents, and maintenance of the conditions of the data provided by individuals was given priority. The respondents were also informing of the content of the research and the result of the study being given to the respondents we make more trying to avoid about plagiarism.

3.7 Limitation Of The Study

The major limitations of this study ware: the first limitation of this study was research instrument because the instrument is questionnaires only but it may be good to use other instrument like interview. Also the language may become another limitation because people working on the institutions are not all educated and it through compulsory to translate the questionnaire into Somali language and then distribute to the dependents and when collected to translate into English again.

3.7 Research Quality

3.7.1 Reliability

Researcher engaged to maintain the reliability and validity of the study by testing the reliability and validity of instrument. To measure reliability the researcher has used Cronbach's alpha. It is most commonly used when there are multiple Likert questions in a survey questionnaire that form a scale, and you wish to determine if the scale is reliable.

Cronbch Alpha was employed to test the internal consistency of measurement while factor analysis will use to validate the measurements of the study.

3.8 Validity

The data analysis through collection analysis to test the research hypothesis, descriptive statistics using Mean and stand deviation for central tendency of variables used factor analysis and Cronabach alpha for goodness of Measurements.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND INTERPRETATION OF FINDINGS

4.0 INTRODUCTION

This chapter covers the presentation, analysis and interpretation of findings (data) the effect of business investment on economic growth in Mogadishu-Somalia. The findings specifically address the research objectives regarding the research questions to investigate To examine the effect of capital investment on economic growth, To identify effect of workforce improvement on economic growth. And to examine effect of business investment on economic growth.

4.1 BACKGROUND INFORMATION

With the use of SPSS, this theme presents data about the demographic variables of the main population sample. The research relied on the accounts given by **80** people, men and women in Business Communities. This data specifically covers variables such as Gender, Marital Status, Educational level, and Age, as summarised in Tables 4.1- 4.5.

4.1.1 Gender

Respondents were also asked to specify their Gender. Their responses are summarised in Table 4.1.1

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Table 4.1.1: Respondents' Gender

	Frequency	Percent	Cumulative Percent
Male	57	71.3	71.3
Female	23	28.8	28.8
Total	80	100.0	100.0

Source: primary data, 2017

Table 4.1.1 shows that 71.3% of the respondents were Male. In addition, 28.8% were Female. Considering their respective responses, respondents were experienced to provide reliable information about Otherwise, majority of the respondents were Male.

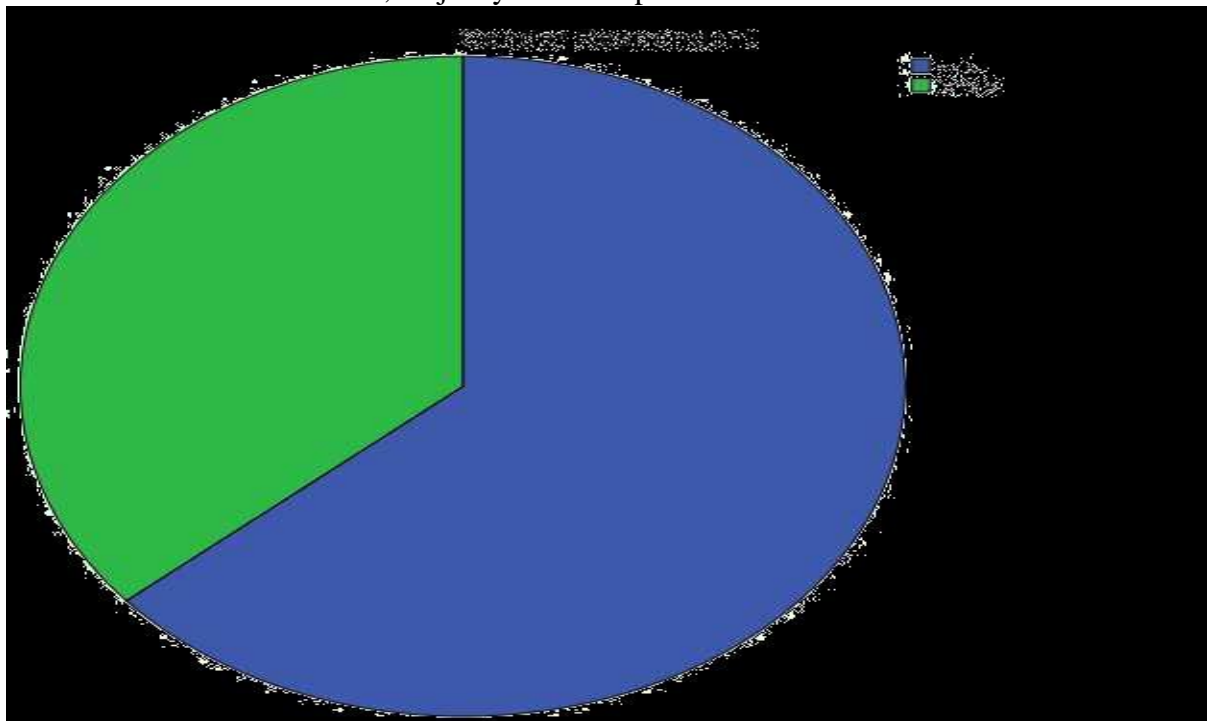


Figure 4.1.1: Respondent's gender

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4.1.2 Age

Respondents were also asked to specify their Age. Their responses are summarised in Table

4.1.2.

Table 4.1.2: Respondents' Age

	requency	Percent	Cumulative Percent
20-25	54	67.5	55.0
26-31	25	31.3	92.5
38-43	1	1.3	93.8
Total	80	100.0	100.0

Source: primary data, 2017

Table 4.1 .2 shows ages of the respondents that 55.0% are ages between 20-25, 31.3% are 26-31. and 1.3% are between over 50 years. This means that those respondents who filled the questioners with respect of ages. Otherwise, majority of the respondents were ages between 20-

25. With such a status they were the right people to engage in this study as the directly involved in delivering.

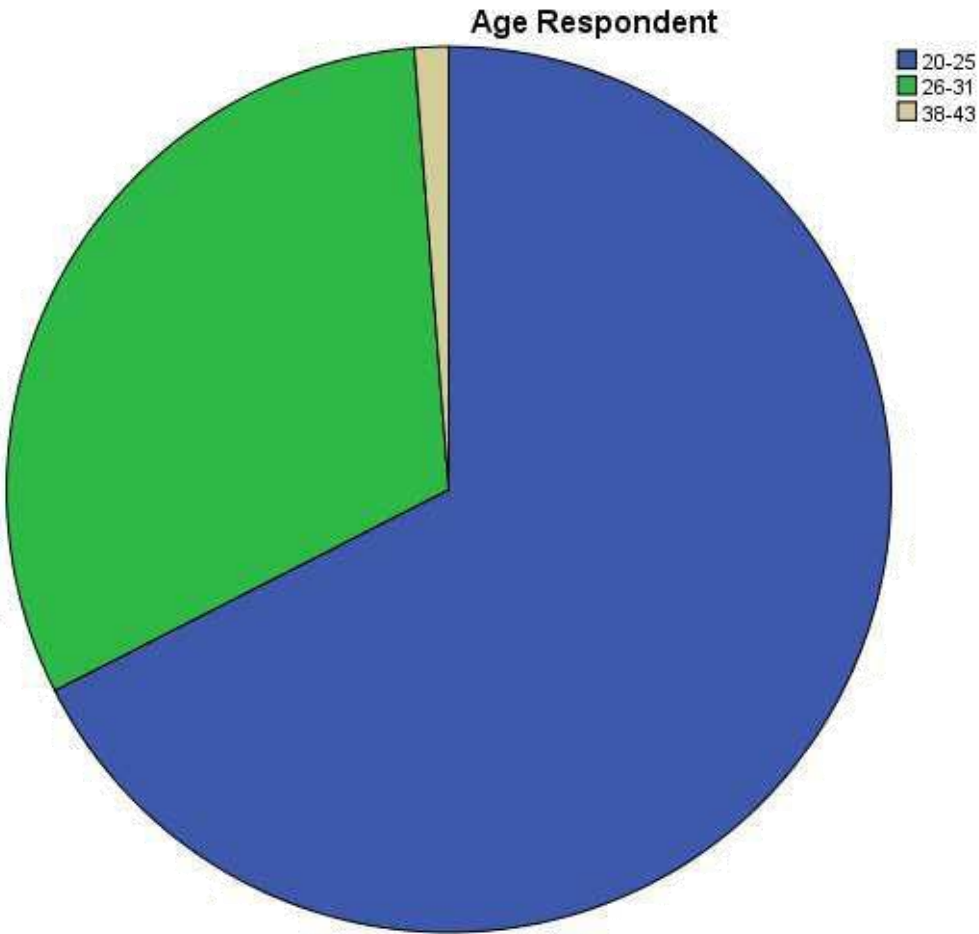


Figure 4.1.2: Respondent's age

4.1.3 Marital Status

Respondents were also asked to specify their type of relationship. Their responses are summarised in Table 4.1.3.

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Table 4.1.3: Respondents' type of marital Status

	Frequency	Percent	umulative Percent
Single	8	47.5	7.5
Married	1	38.8	6.3
Divorce	1	13.8	00.0
Total	0	100.0	

Source: primary data, 2017

Table 4.1 .3 shows marital status of the respondents that 47.5% are married, 38.8% are single, and 13.8% are divorced. This means that those respondents who filled the questioners with respect of gender balance. Otherwise, majority of the single individuals had more experience than single people. With such a status they were the right people to engage in this study as the directly involved in delivering about.

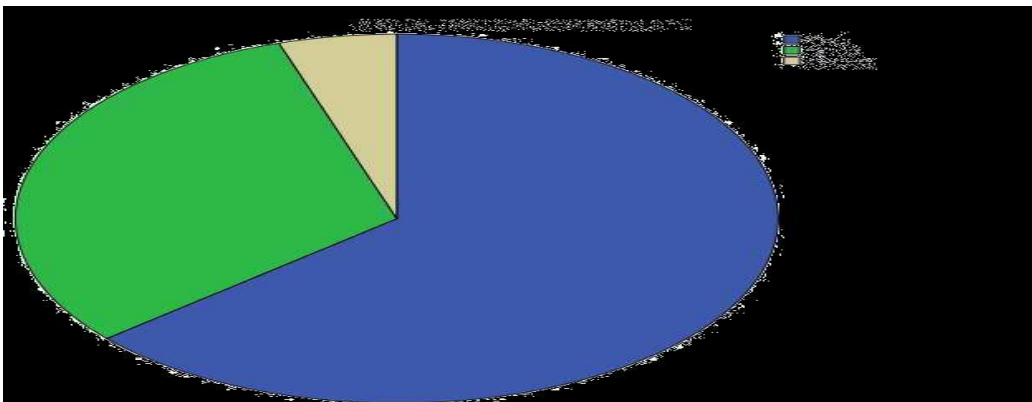


Figure 4.1.3: Marital status of the respondents

4.1.4 Educational level

Respondents were asked to specify the years of their educational level respectively. Their responses are summarised in Table 4. 1.4.

Table 4.1.4: Level of education of respondents

	requency	Percent	Cumulative Percent
Secondary	5	6.3	6.3
Diploma	17	21.3	27.5
Bachelor	52	65.0	92.5
master degree	6	7.5	100.0
Total	80	100.0	

Source: primary data, 2017

This table shows that 6.3% of the respondents were in secondary, 21.3% had diploma while 65.0% of the respondents were Bachelor and 7.5% Apart from the rest of the respondents were master degree educated enough and fairly could respond the questions as much as confidential. This means that most of respondents are Bachelor

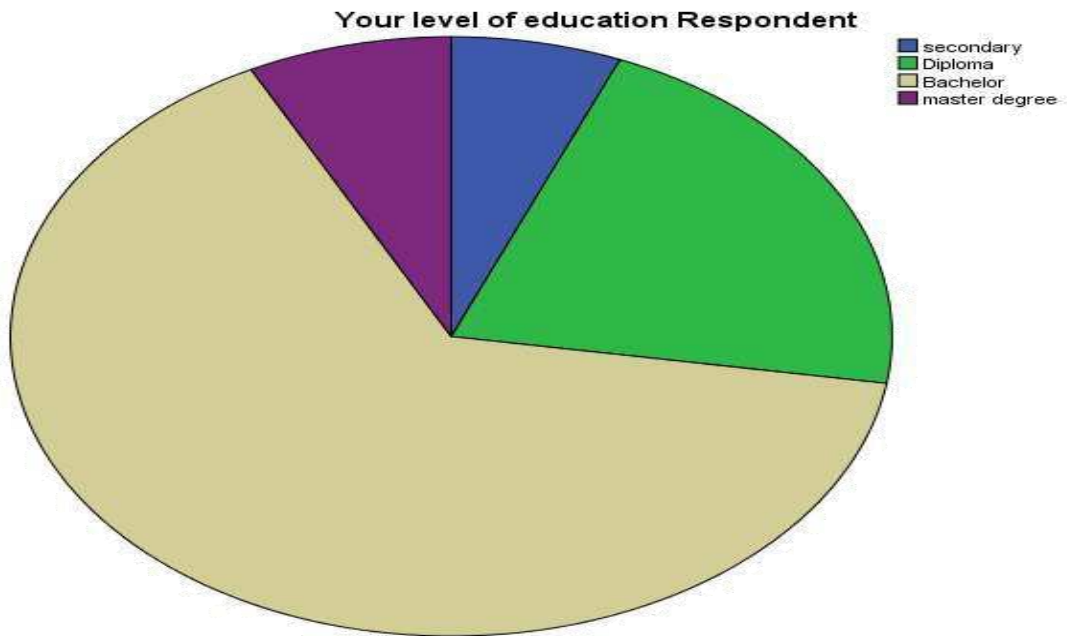


Figure 4.1.4: educational level of the respondents

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4.1.5 Experience

Respondents were asked to specify the years of their educational level respectively. Their responses are summarised in Table 4. 1.4.

	Frequency	Percent	Cumulative Percent
senior staff	29	36.3	36.3
Clerk	10	12.5	48.8
middle staff	35	43.8	92.5
Other	6	7.5	100.0
Total	80	100.0	

Table 4.1.5: experience

Source: primary data, 2017

This table shows that 6.3% of the respondents were in senior staff, 36.3% had clerkwhile 12.5% of the respondents were middle staff and 7.5% Apart from the rest of the respondents were other educated enough and fairly could respond the questions as much as confidential. This means that most of respondents are middle staff.

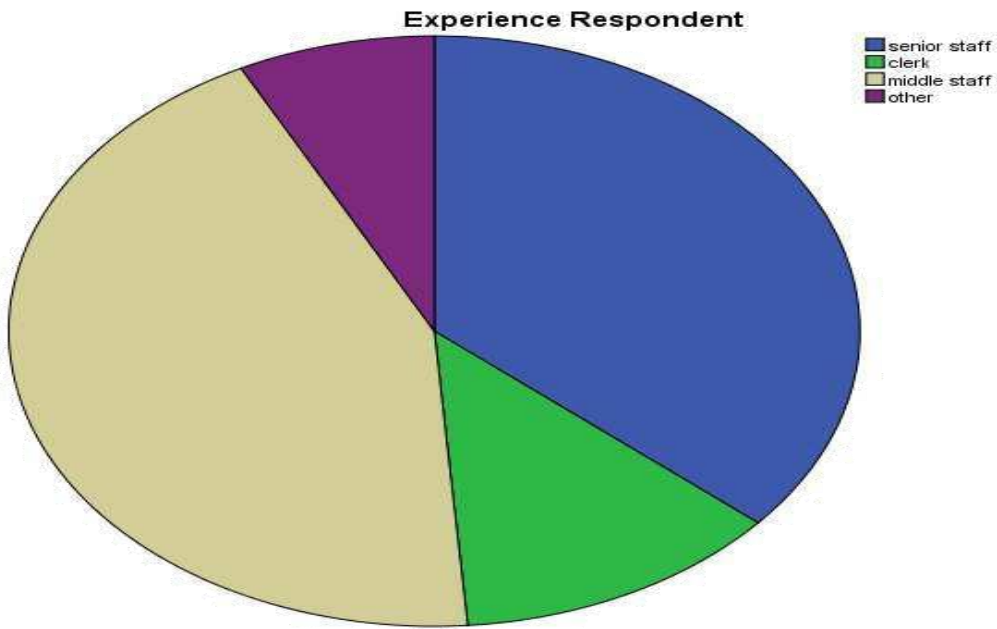


Figure 4.1.5: educational level of the respondents

Table 4.1.6 To the effect of Capital investment

No	Statements	Mean	Std. Deviation	interpretation
1	Capital investment improves economic growth of the county	Very high 3.4875	.95459	
2	Capital investment initiatives can contribute to economic growth and to the overall good name of a country	Very high 3.3125	1.15390	
3	Capital investment activities helps the country to develop and secure new business Opportunities	Very high 2.6875	1.40157	
4	Achieving capital investment goals is the responsibility of government	Very high 3.1375	1.21950	
5	Capital investment planning should include capital investment by the government itself and by its entities	Very high 3.4375	.99166	
	Total or average	= 3.21	= 1.14	

According to the descriptive statistical table, results in table 4.2.1 which indicated Very high Capital investment initiatives can contribute to economic growth and to the overall good name of a country (**Mean=3.4875**) which indicated very high Capital investment initiatives can contribute to economic growth and to the overall good name of a country (**Mean=3.3125**) which indicated very high, Capital investment activities helps the country to develop and secure new business opportunities. (**Mean= 2.6875**) which indicated very high, Achieving capital investment goals is the responsibility of government. (**Mean= 3.1375**) which indicated very high, Capital investment planning should include capital investment by the government itself and by its entities (**Mean= 3.4375**).

Table 4.1.7 To Workforce improvement

	Statements	Mean	Std. Deviation	Interpretation
No				
1	Workforce improvement is among the factors to economic growth.	Very high 3.4375	.93921	
2	The broader concept of workforce improvement might also include a range of employment services, including pre-employment assessments and job placement assistance	Very high 3.2875	1.13844	
3	Workforce improvement policies can be as an antipoverty strategy.	Very high 3.1500	1.21280	
4	There are workforce improvement campaigns in our country.	Very high 3.5500	.89866	
5	Workforce improvement is the responsibility of the government	Very high 3.3250	.99078	
	Total or average	= 3.35	= 1.04	

According to the descriptive statistical table, results in table 4.2.1 which indicated very high Workforce improvement is among the factors to economic growth (**Mean=3.4375**) which indicated very high The broader concept of workforce improvement might also include a range of employment services, including pre-employment assessments and job placement assistance (**Mean=3.2875**) which indicated very high, workforce improvement policies can be as an antipoverty strategy. (**Mean= 3.1500**) which indicated very high, There are workforce improvement campaigns in our country (**Mean= 3.5500**) which indicated high, Workforce improvement is the responsibility of the government. (**Mean=3.3250**) .

Table 4.1.8 Economic growth

Statements	Mean	Std. deviation	Interpretation
No			
1 The trend of growth of real GDP is every good considered as sustainable economic growth.	.7250	.69309	
2 Economic growth includes economic development, distribution of income to the unemployed and poverty.	.5375	.89928	every good
3 To achieve the goals of economic growth, various factors determining economic growth are assessed.	.1250	.10665	every good
4 Terms of trade are also one of the most important macroeconomic variables			
5 An indicator of external shocks to the economic growth.	.2375	.03415	
6 The growth of economy depends on the level of business investment.	.4000	.97565	every good
	3.41	0.94	

According to the descriptive statistical table, results in table 4.2.1 which indicated high The trend of growth of real GDP can be considered as sustainable economic growth (**Mean=3.7250**) which indicated high giving Economic growth includes economic development, distribution of income to the unemployment and poverty (**Mean=3.5375**) which indicated high, To achieve the goals of economic growth, various factors determining economic growth are assessed. (**Mean= 3.1250**) which indicated high, Terms of trade are also one of the most important macroeconomic variables as an indicator of external shocks to the economic growth. (**Mean= 3.2375**) which indicated high, the growth of economy depends on the level of business investment. (**Mean=3.4000**) .

4.9 THE RELATIONSHIP BETWEEN BUSINESS INVESTMENTS ON ECONOMIC GROWTH

Table 4.1.9 Correlations

		business investment	economic growth
business investment	Pearson Correlation	1	.738**
	Sig. (2-tailed)		.000
	N	80	80
economic growth	Pearson Correlation	.738**	1
	Sig. (2-tailed)	.000	
	N	80	80

As shown in above table 4.1.9. The relationship between business investment and economic growth are investigated using Pearson correlation. This result is indicated that there is positive relationship correlation. As shown in the table, there is significant strongly relationship between business Investment and economic growth ($r=0.738$)

CHAPTER FIVE

FINDINGS, CONCLUSION AND RECOMMENDATIONS

5.0 INTRODUCTION

The purpose of the study was to identify the effect of business investment on economic growth. This chapter therefore contains major finding, conclusions and recommendations.

5.1 MAJOR FINDINGS

Objective one: according to the descriptive statistical table, results in table 4.2.1 which indicated Very high Capital investment initiatives can contribute to economic growth and to the overall good name of a country (**Mean=3.4875**) which indicated very high Capital investment initiatives can contribute to economic growth and to the overall good name of a country (**Mean=3.3125**) which indicated very high, Capital investment activities helps the country to develop and secure new business opportunities. (**Mean= 2.6875**) which indicated very high, Achieving capital investment goals is the responsibility of government. (**Mean= 3.1375**) which indicated very high, Capital investment planning should include capital investment by the government itself and by its entities (**Mean= 3.4375**).

Objective two: According to the descriptive statistical table, results in table 4.2.1 which indicated very high Workforce improvement is among the factors to economic growth (**Mean=3.4375**) which indicated very high The broader concept of workforce improvement might also include a range of employment services, including pre-employment assessments and job placement assistance (**Mean=3.2875**) which indicated very high, workforce improvement policies can be as an antipoverty strategy. (**Mean= 3.1500**) which indicated very high, There are workforce improvement campaigns in our country (**Mean= 3.5500**) which indicated high, Workforce improvement is the responsibility of the government. (**Mean=3.3250**).

Objective three: According to the descriptive statistical table, results in table 4.2.1 which indicated high The trend of growth of real GDP can be considered as sustainable economic growth (**Mean=3.7250**) which indicated high giving Economic growth includes economic development, distribution of income to the unemployment and poverty (**Mean=3.5375**) which indicated high, To achieve the goals of economic growth, various factors determining economic growth are assessed. (**Mean= 3.1250**) which indicated high, Terms of trade are also one of the most important macroeconomic variables as an indicator of external shocks to the economic growth. (**Mean= 3.2375**) which indicated high, the growth of economy depends on the level of business investment. (**Mean=3.4000**) .

5.2 CONCLUSIONS

The aim of this study was to describe the effect of business investment on economic growth for the sake of capital investment and workforce improvement with precise consideration on the Somali economic growth. The findings of the study indicated that capital investment and workforce improvement are the main boomers of economic growth, and that all the findings of the three objectives of the study shows that there is a strong relationship among the variables.

5.3RECOMMENDATIONS

Based on the findings and the conclusions of the study, I will offer the following recommendations:-

The government should make strong actions to support capital investment and workforce improvement.

Futher more issues of business investment need to be clearly adressed.

There should be a joint assesment and evaluation of the economic growth of the country, so as to make all stakeholders aware of their contribution in all forms.

5.4 RECOMMENDATION FOR FURTHER RESEARCH

Since this topic is very broad, and it is not sufficient to make one or two thesis papers, I will recommend for further research about this topic, and I am sure it will promote the upcoming researchers.

APPENDIX: QUESTIONNAIRE

My name is Shirwac Shire Hassan I am a master of management information system student from Daffodil International University. As part of my study, this questionnaire is anticipated to facilitate the study on the effect of business investment on economic growth in Mogadishu-Somalia. The study is for an academic purpose and your response will be treated with utmost confidentiality. In order to accomplish the study, you are kindly requested to complete this questionnaire, please.

PART ONE

Please tick (✓) the following question

1. Gender

A. male B. Female

2. Age

A. 20-25 B.26-31 C.32-37 D.38-43

3. Educational Level

A. Secondary B. Diploma C. Bachelor D. master

4. Marital status

A. single B. married C. divorced

5. Job status

A. senior staff B. clerk C. middle staff D. other

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Part two

Please indicate your level agreement of the following statements by using this scale

Direction given below

No. effect of capital investment on economic growth

Strongly Disagree Strongly
y ee e y agree
disagree

A. Capital investment

- 1 Capital investment improves economic growth of the country
- 2 Capital investment initiatives can contribute to economic growth and to the overall good name of a country
- 3 Capital investment activities helps the country to develop and secure new business opportunities
- 4 Achieving capital investment goals is the responsibility of government
- 5 Capital investment planning should include capital investment by the government itself and by its entities

No effect of workforce improvement on economic growth

Strongly Disagree Strongly Agree

.
disagree

ye

agree

A. workforce improvement

1 workforce improvement is among the factors to economic growth

2 the broader concept of workforce improvement might also include

range of employment services, including pre-employment
assessments and job placement assistance

3 workforce improvement policies can be as an antipoverty strategy

4 there are workforce improvement campaigns in our country

5 workforce improvement is the responsibility of the government

No effect of business investment on economic growth

Strongly Disagree Strongly

disagree

y ee

e

y agree

A. Economic growth

- 1 The trend of growth of real GDP can be considered as sustainable economic growth.
- 2 Economic growth includes economic development, distribution of income to the unemployment and poverty.
- 3 To achieve the goals of economic growth, various factors determining economic growth are assessed.
- 4 Terms of trade are also one of the most important macroeconomic variables as an indicator of external shocks to the economic growth.
- 5 The growth of economy depends on the level of business investment.

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