

Urban Poverty in Somaliland: The Case of State House Area in Hargeisa

Abdirizak Mohamoud Osman

ABSTRACT

Somaliland, like any other Sub-Saharan Africa remains amongst the poorest nations in the world with a Gross Domestic Product per capita of \$499.8 according to the World Bank ahead of Burundi, Democratic Republic of the Congo and Niger. The purpose of this study is aimed to analyze urban poverty in Somaliland. Both primary and secondary data were used; the primary data were obtained from field activity results of a questionnaire distributed to 97 randomly selected respondents in the study area. The secondary data were taken from different published assessments and reports from reputable global institutions. Descriptive statistics and econometric model were used to analyze the data. According to the results of this study, urban poverty in Somaliland is multi-dimensional; it manifests itself in the form of inadequate basic services and goods such as lack of clean water, nutritious food, lack of hygiene and sanitation, lack of health facilities, lower standard houses without lighting, unemployment, poorly paid wage. The combinations of these problems deteriorate and worsen the living conditions of the urban poor in Somaliland. Urban poverty is determined by consumption expenditure, household size, education level of the head of the household, access to health facilities and status of unemployment in the study area. Therefore, this implies the necessity of intervention and preparation of comprehensive and inclusive national planning: reduction of poverty, employment creation, investment in education (vocational and training) and health, introduction of poor friendly public utilities, promotion of investment in national productive assets, and institutionalization of local community support systems (local charity).

INTRODUCTION

Poverty is a multi-dimensional problem. It is a phenomenon with composite reasons¹ and consequences.² Quantitative measures are the most common approaches used to measure poverty; the income or consumption based definitions of poverty are widely used throughout the literature. This approach judges whether a household can afford to purchase a basic basket of goods at a given point in time.³ ‘Poor’ is counted as those who fall below an income and consumption level or ‘poverty line’.⁴ The other approaches include the Basic Needs Approach, the Capabilities Approach, and the Human Development Approach (HDA), Human Development Index (HDI); which is a composite measure of three dimensions of human development: life expectancy, educational attainment and standard of living, measured by income in terms of its purchasing power parity.

¹ Bourguignon, Francois & R. Chakravarty, Satya (2003). The Measurement of Multidimensional Poverty, *Journal of Economic Inequality*, 1: 25–49.

² Alkire, Sabina & Foster, James (2009). *Counting and Multidimensional Poverty Measurement*. OPHI Working Paper No. 32. London: Oxford Department of International Development.

³ Hidayah Chamhuri, Nurul. Abdul Karim, Hafazah & Hazlina Hamdan (2012). Conceptual Framework of Urban Poverty Reduction: A review of literature, *Procedia – Social and Behavioral Sciences* 68 (2012) 804–814.

⁴ Lipton, Michael & Ravallion, Martin (1993). *“Poverty and Policy”*. Washington, DC: Policy Research Dissemination Center.

Whatever the definition of poverty, its problems remain unsolved and found everywhere in the world, the nations of the world experience one or several kinds of poverty; what varies is the extent and the kind of poverty people find themselves in. Poverty is an obvious and devastatingly concentrated in the least developed parts of the globe. East Asia and Sub-Saharan Africa host the largest poor population of the world. Incidents of poverty in Africa remain a serious problem, despite low levels of poverty on the continent recently.⁵

The analysis of urban poverty is different from the general poverty and it necessitates additional techniques for dealing with the urban lifestyle specific characteristics of commoditization, over population, accidents, social fragmentations, crime and violence. Urban poverty focuses on the durational part of individual and household poverty level rather than the average or aggregate poverty level of the population.⁶ Though there is no single approach in carrying out urban poverty measurements, there are some common ones, the money-metric income or consumption based approach to assess whether an individual or household can afford to purchase a basic basket of goods on average food, shelter, water, clothing, transport.

Somaliland is badly affected by many types of poverty. Somaliland Household and Enterprise Survey have considered poor for those individuals who earn less than a dollar (\$1) per day. The survey also entails that 37 percent of rural and 30 percent of the urban population are poor.⁷ Somaliland is amongst the poorest nations in the World, with a Gross Domestic Product per capita of \$499.8 ahead of Burundi, Democratic Republic of the Congo and Niger.⁸ Urbanization is higher than ever and urban poverty is aggravated by the increasing number of population. A World Bank study has shown that for every four people living in urban areas in Somaliland more than one is living in poverty.⁹ Indeed, there is no empirical studies have been done on urban poverty in Somaliland; but, this study is conducted with a main objective of analyzing urban poverty in the study area and poses two basic questions aiming to identify the major dimensions of poverty and assess the determinants of poverty in the urban community in Somaliland. The research underlying this paper sets out to contribute to an improved understanding of scope, dimensions, and factors affecting poverty among urban poor communities in Somaliland.

THEORETICAL PERSPECTIVE

Four approaches are vastly used to define poverty– monetary, capability, exclusion and participatory approaches. Certainly, poverty has many faces, the issue is not only monetary, but also a composite range of deprivation in the areas of education, health, jobs occupation, safety and security, nutrition, housing and assets, among others is necessary to underline.¹⁰ Setting a poverty line, this approach is rooted in the economic principles of welfare.¹¹ It is frequently

⁵ Ronald Hope, Kempe (2008). *Poverty, Livelihoods, and Governance in Africa*. New York: Palgrave Macmillan.

⁶ Ibid., 3.

⁷ Ministry of National Planning and Development (2015). *Somaliland Poverty Assessment, Somaliland*. Hargeisa: Ministry of National Planning and Development.

⁸ Beegle, Kathleen. Christiaensen, Luc. Dabalen, Andrew & Gaddis, Isis (2016). *Poverty in a Rising Africa*. Washington, DC: The World Bank.

⁹ Ibid., 8.

¹⁰ OECD (2013). *“Ending Poverty”*. OECD Publishing. Available at https://www.oecd.org/development/development-co-operation-report-2013_dcr-2013-en.

¹¹ Ibid., 4.

defined in connection to the achievement with basic needs. On the other hand, the inability to achieve basic needs reflects poverty. The minimum level of utility that is necessary to escape poverty stated in the welfare consistent poverty line is the cost of a bundle of “basic consumption needs”, given by the vector of utility-compensated demands at the reference level of utility defining who is poor in the welfare space. The poverty line is an important tool for identifying who is poor “A monetary poverty line is the minimum amount of money considered necessary to lead a non-impooverished life”. Any individual whose income level fell below the poverty line are identified as a poor.¹²

The limitation of income approach for representing the well being of individuals has been a central message for developing the capability approach. In this perspective, poverty is redefined as fundamental inadequacies of capabilities not an inadequacy of income or consumption. Capability approaches include the Human Development Index (HDI) and Multi-dimensional Poverty Index (MPI) of the United Nations Development Programme in assessing the progress of society.¹³

Income poverty and capability poverty are correlated, as the income of the individual or the society increases then followed by capability. For instance, as the family income or earning rises the expenditure on education, health care, nutritious food, and freedom of choice all rise. On the other hand, improvements in basic education and health care can give the opportunity to achieve and generate an income to escape from income poverty. Therefore, as one increases the other follows. Since poverty is multi-faceted and multi-dimensional, it is valuable to build a model of poverty determination by considering the various theories of poverty.

EMPIRICAL LITERATURE

Poverty is one of the world’s most critical and pressing contemporary issues. The world does not lack resources to tackle poverty, but, there is a lack of political and institutional will to overcome the problem.¹⁴ In fact, extreme poverty kills and costs the lives of people. It is a global problem and the inability of an individual or society to achieve a ‘minimum level of well-being’. In 2003, the World Bank reported that approximately 1.1 billion people globally lived on less than \$1 per day, and nearly 2.7 billion or half of all those living in low- and middle-income countries lived on less than \$2 per day. This number fell to approximately 2.2 billion people in the year 2015.

By 2003, 56% of Sub-Saharan Africans were living under the poverty line. The percentage of Sub-Saharan poor has declined to 40% by 2015.¹⁵ Some studies argue that poverty is concentrated in the Southern and Eastern parts of Africa. At the same time, the population growth in Africa remains continuously expanding at an alarming rate and as a result the number of poor people has increased to more than 100 million.¹⁶

¹² Ibid., 8.

¹³ Alkire, Sabina. Conconi, Adriana & Seth, Suman (2014). *Multidimensional Poverty Index 2014: Brief Methodological Note and Results*. London: Oxford Department of International Development.

¹⁴ Mylek, I. & Nel, P. (2010) Religion and relief: the role of religion in mobilizing civil society against global poverty’, *Kotuitui: New Zealand Journal of Social Sciences Online*, 5: 2, 81–97.

¹⁵ Ibid., 8.

¹⁶ Ibid., 8.

Discussions on urban poverty and urbanization of poverty have been growing over the last 20 years, urbanization plays an important role in poverty reduction, but on the other hand share of urban poverty is rising.¹⁷ Urban poverty is viewed as a multi-dimensional issue linked to low levels of income and consumption, and other poor conditions related to employment, housing, health care, education and even a person's place in public networks. The UN Human Settlements Programme (UN-Habitat) has stated that 881 million people or 30% of developing countries' urban populations lives in slums under impoverished circumstances.¹⁸

In connection to this, the Somaliland poverty rate was first estimated using Somaliland Household Survey (SHS) in 2013. The study has shown that Somaliland poverty in urban and rural settled areas was approximately 30% and 37% respectively. Using income and consumption approaches of measuring poverty; more than 1 in 4 people in urban and more than 1 in 3 people in rural areas are living in poverty. The monthly income required to meet the basic needs of a household in urban and rural Somaliland was estimated to be 207,300 and 180,900 Somaliland Shillings equivalent to \$0.98 and \$0.86 per adult respectively. Anyone who receives an income level less than this amount is recognized as a poor.¹⁹

Certainly, poverty in Somaliland is multi-dimensional. Female headed families are common in Somaliland, particularly in urban areas, and these households are more likely to be poor than households headed by men. This highlights linkages between gender and poverty. Gender inequality in access to formal education is found among poor people in Somaliland, girls schooling age are less likely than boys.²⁰

A study by Mohamed (2017)²¹ on Measurement and Determinants of Urban Poverty in Case of Southern Nations, Nationalities, and Peoples' Region (SNNPR) in Ethiopia stated that marital status, family size, total dependency, educational level, saving habits, and source of energy are determinants of poverty and statistically significant variables. Yonas A. et al (2012)²² argue that in Ethiopia, households with a history of past poverty persist to recognize themselves as poor even if they achieve better material acquisition and consumption level.

METHODOLOGY

This study was conducted in the State House area in Hargeisa, a city with an estimated population of over 800,000.²³ Both primary and secondary data were used; the primary data were collected through questionnaires distributed to 97 randomly selected respondents drawn from

¹⁷ Bhatkal, Tanvi. Khan, Amina & Lucci, Paula (2018). Are we underestimating urban poverty?, *World Development*, 103 (2018) 297–310.

¹⁸ UN-Habitat (2014). *Voices from the slums*. WHD 2014 Background Paper. Available at <https://unhabitat.org/wp-content/uploads/2014/07/World-Habitat-Day-2014-Backgrounder.pdf>.

¹⁹ Ibid., 8.

²⁰ Ministry of National Planning and Development (2011). *Somaliland Multiple Indicator Cluster Survey 2011*. Hargeisa: Ministry of National Planning and Development.

²¹ Mohammed Beshir Mohammed (2017). Measurement and Determinants of Urban Poverty in Case of Southern Nations, Nationalities, and Peoples' Region (SNNPR), Ethiopia.

²² Köhlin, Gunnar. Stage, Jesper & Yonas Alem (2012). *The Persistence of Subjective Poverty in Urban Ethiopia*. A working papers in economics, No. 549. Göteborg, Sweden: University of Gothenburg.

²³ Ibid., 7.

urban poor in the study area by using simple random sampling technique. The secondary data were collected from different published works: books, journals, archives of institutions, and etc.

In sampling and sample size determination, a two stage sampling procedure was used in this study. First, the State House IDP area was identified and purposefully selected based on the area's potential and availability of urban poor in the city. In the second stage, a probability sampling method was used to select the sample household randomly. Out of 3,000 households in the villages, 97 were selected by using simple random sampling; the sample size was determined by using sample size determination table based on (Yamana, 1967) formula with 10% precision level.²⁴

In the data analysis, descriptive statistics and econometric model were used to analyze the data. Descriptive measures such as means, percentages, ratios, and standard deviations are presented in tabular and graphical forms. In the econometric section, logistic regression model was used to analyze the determinants of poverty in the study area.

In the context of this study, the definition of variables and hypothesis are needed. Therefore, a number of socio-economic factors are found to have different effects on urban poverty. The study examined factors expected to have an influence on urban poverty in Somaliland. These are as following:

Education: It is a continuous variable measured in number of schooling years. It is a proxy of human capital and is expected to negatively relate urban poverty; the higher the schooling grade attained by an individual, the better the opportunities for attaining better jobs and the vice versa. Mohamed (2017)²⁵ found that education of the household head is negatively and statistically significantly related to urban poverty at 1 percent precision level.

Household size: This variable is continuous; it is hypothesized that large size households are more likely to fall into the poor category than those with lesser size. Most of empirical studies reported that household size is positively associated with poverty. Mohamed (2017) and Araya (2010) both reported significant and positive effects on household size on poverty.

Consumption expenditure: This is a continuous variable; it is hypothesized to have a negative correlation between consumption expenditure and poverty. As the consumption expenditure increases the probability of households falling under the poor category falls.

Age of the head: It is continuously variable measured in a number of years. The variable is hypothesized to negatively affect poverty; as the age of the head of the household increases welfare rises. More human capital (education and/or working experience) is accumulated, thus, reduces poverty or the likelihood to be poor.²⁶

²⁴ Yamana, Taro (1967). *Statistics: An Introductory Analysis, (2nd Edition)*. New York: Harper and Row.

²⁵ Ibid., 21.

²⁶ E. Aigbokhan, Ben (2000). *Poverty, growth and inequity in Nigeria: A case study*. Ibadan, Nigeria: Development Policy Centre.

Marital status: It is a categorical variable which has economic implication on household income level. A number of studies have recommended that single headed households are more likely to escape from poverty than married. In this study, it is hypothesized that marital status has an indeterminate effect on poverty. Araya (2010) found a significant and negative effect of marital status on poverty.

Gender of household head: It is a dummy variable and takes the value of 1 if the head of the household is male otherwise 0. The variable is expected to negatively relate to poverty. In addition to this, Esubalew (2006)²⁷ found the probability that a household will be poor when headed by females is significant at 95 confidences interval

Unemployment: It is a dummy variable and takes the value of 1 if the head of the family is unemployed, otherwise it assumes 0; Unemployment is expected to positively correlate with poverty. According to Rachel M., et al. (1997) there is a positive correlation between unemployment rate and the extent of poverty in urban areas.²⁸

RESULTS AND DISCUSSIONS

This section deals with the analysis of the findings of the research from the field. It begins with an emphasis on the socio-economic and demographic characteristics of the households in the study area

Socio-Economic and Demographic Characteristics

Table 1: Socio-Economic and Demographic Characteristics of the Households in the Study Area

Variable	Fre	Percent	Mean	Sdv	Min	Max
Sex						
Female	54	44.32				
Male	43	55.68				
Total	97	100				
Household Size			6.17	2.89	1	20
Age Group			42.62	1.25	20	6
Employment Status						
Employed	77	79.38				
Unemployed	20	20.62				
Total	97	100				
Daily Income	77		48,850.65	31,725.50	10,000	200,000

²⁷ Edilegnaw Wale & Getnet Alemu (2013). *Determinants of urban poverty: the case of Debre Markos*. Addis Ababa: Ethiopian Economic Association.

²⁸ Baden, Sally. De Haan, Arjan & Masika Rachel (1997). *Urbanisation and Urban Poverty : A Gender Analysis*. Brighton, England: Institute of Development Studies.

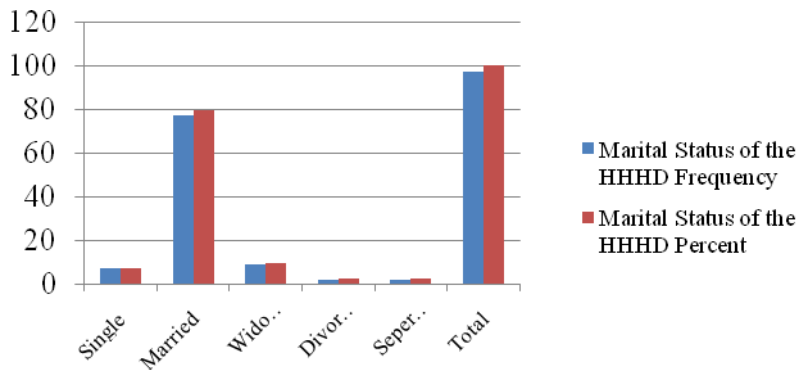
Daily Consumption	77	39,285.71	18,408.99	10,000	100,000
-------------------	----	-----------	-----------	--------	---------

Source: Survey conducted by the author, 2016

The major socio-economic and demographic variables include the sex, age, employment status, daily consumption and expenditure of the residents in the study area. Out of 97 respondents, 44.32% were male and 55.68% were female. The reason for this is that women are most often found in the homes due to their responsibilities to take care of the home and children. Men most often go out for jobs or for any other affair necessary to maintain the sustenance of their families. Considering the family size, the study indicated that 50% of households have family members of 6-10 individuals; 46% of households have 1-5 individuals, the remaining 4% constitute households with family members greater than 10 individuals. Mean age of respondents are found to be 42.62 years, with minimum and maximum ages of 20 and 76 respectively.

In terms of the marital status, the study showed that the majority of the respondents in the study area are married (79.38%); widowed and single were 9.28% and 7.22% respectively. Divorce and separate statuses were least significant among the respondents in the village.

Figure 1: Marital status of the study area residents



Source: Survey conducted by the author, 2016

The output of employment reveals that 79.4% were employed in non-permanent daily jobs where as 20.6% does not have jobs at all. Employment is associated to the income and consumption expenditure of households; the level of consumption by the consumer depends on the level of disposable income. Decent jobs are ones that provide better payments, job security and safety in the working environment. The daily earnings of urban poor are approximately 49,000 Somaliland Shillings (SLSh) equivalent to 6.28 US Dollar (using August, 2016 Somaliland to Dollar Exchange rate \$1:7,800 SLSh). The average earning of poor employed person in urban Somaliland is dollar 1.04. Previous findings²⁹ state that the amount of daily income needed for an adult to meet his/her basic needs is dollar 0.95. The finding of this research can be matched to earlier findings when it is adjusted to the inflation rate.

²⁹ Ibid., 7.

Food and related consumer goods such as water and energy have a significant share in the consumption expenditure of the residents in the study area. Food, water and energy for cooking (charcoal) are the basic expenditure items. More than 90% of the residents stated that food expenditure is the most frequently paid item, followed by water and cooking energy. The mean daily consumption expenditure (food and related) of the households is approximately 40,000 SLSH equivalent to USD 5.13 during the study. The average share of an individual from a normal household is only USD 0.85. The findings fall below the Somaliland income poverty line necessary to meet the basic needs.³⁰

The unemployed in the study area maintain their living through support from relatives (30%), remittance (30%), rent (5%), livestock (25%) and charity (10%). The findings match with already existing beliefs of supporting the poor and relatives.

Educational Attainment and Access to Education of urban poor in the Study Area
 Table 2: Educational Attainment and Access to Education

Variable	Frequency	Percent
Access to Education by Children		
Yes	65	67.01
No	32	32.99
Total	97	100
School Grade		
Primary	22	33.85
Intermediate	22	33.85
Secondary	21	32.30
Total	65	100

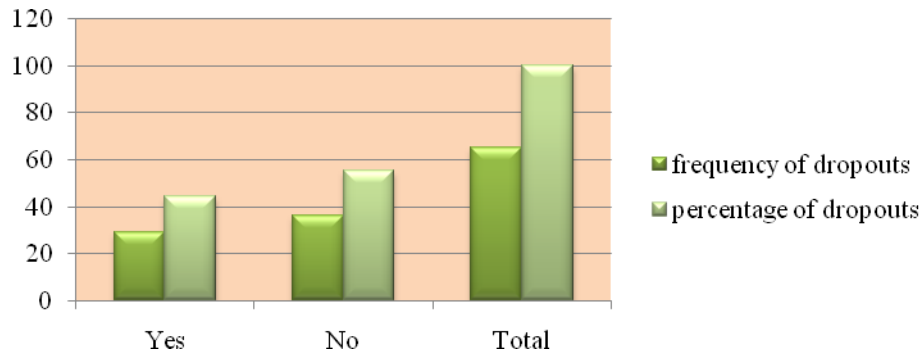
Source: Survey conducted by the author, 2016

An educated father or mother will probably have an educated child compared to an uneducated father or mother. 67% of children have an access to education; while 33% doesn't have access at all. In addition, school children usually attend free public primary education. In 2010, Somaliland government announced free public primary education for all school age children immediately after the election.³¹ But the schools lack major educational facilities and staff. According a joint research by the Ministry of Planning and the World Bank in 2015, 35% of urban people in Somaliland have no an access to formal education. Merging the two findings shows the existence of some improvements on the part of accessibility due to the free primary education program since 2010. A majority of the children have attended either primary or intermediate school 67%, the remaining 33% have attended secondary level education. Primary and intermediate school children also attend at least one formal or informal Quranic school known as *Madarasa*. Not all those who had access to education completed the desired level of education in the school. Approximately 45% of them dropped out from the schools earlier to intermediate or secondary school level. As figure 4 has shown.

³⁰ Ibid., 7.

³¹ Nasir M. Ali (2014). Building State Capacity in a Post-Conflict Situation: the Case of Somaliland, *American International Journal of Contemporary Research*, Volume 4 – No. 1, (January, 2014), pp. 157–170.

Figure 2: School Children Dropouts



Source: Survey conducted by the author, 2016

NUTRITION, HEALTH AND HOUSING STATUS PROFILE OF URBAN POOR IN THE STUDY AREA

Attaining the minimum level of nutrition for sustaining a healthy life is a fundamental human right for every individual. Development scholars argue that Health is among the most important conditions of human life and a significant element of human capabilities.³² Better nutrition and balanced diet is a basic element in attaining better health and hence better life.

Table 3: Nutrition, Health and the related in the Study Area

Variable	Frequency	Percent
Food shortages		
Yes	38	39.17
No	59	60.83
Total	97	100
Means of Survival During Food Shortages		
Loan	13	32.5
Support from relatives	11	27.5
Support from neighbors	8	20
Street begging	8	20
Total	40	100
Access to Health facilities		
Yes	37	38.15
No	60	61.85
Total	97	100
Hygienic and Sanitary Problem		
Yes	71	73.2
No	26	26.8

³² Sen, A.K. (2002). *'Freedom and Social Choice'. The Arrow Lectures*, delivered at Stanford University in 1991, in A. Sen, *Rationality and Freedom*. Cambridge, MA: Harvard University Press.

Total	97	100
House Type		
Brick	9	9.28
Masonry	5	5.15
Somali traditional house	28	28.87
Iron sheet	47	48.45
Cottage	8	8.25
Total	97	100
<hr/>		
House Ownership Status		
Own house	73	75.26
Rent house	16	26.49
Not rent, Relative House	8	8.25
Total	97	100

Source: Survey conducted by the author, 2016

Table 3 shows that approximately 40% of the residents in the study area faced at least one month of food shortages for the last twelve months. Loan, support from relatives, neighbors and street begging were the most significant means of survival for those people during food shortages.

In regards the health facility accessibility, 38.15% have an access to a public health facility; whereas 61.85% do not have. The public health centers in the village are lacking the major health equipments, medicines, drugs and staff. Few services such as delivery, minor injuries and distribution of nutrients to children suffering from malnutrition children are the only available services. 73.2% of the residents complain about hygiene or sanitary related problems the major hygiene and sanitary problems identified in this research are lack of solid waste disposal, lack of latrines, lack of sewerage and overpopulation.

Out of the total population living in the study area, less than 15% live in brick/masonry houses. This shows the extent of poverty and the prevalence of poor living conditions of the urban poor in Somaliland. 75.26% of the residents in the area owned the houses in which they live; 16.49% live in rented houses and 8.25% live in houses owned by others (no rent paid).

Security is a major component of the services provided by Somaliland government to its people; 61.85% of the respondents stated they do not have any government service. The remaining 38.15% stated that they have a government service of at least one kind. Several types of minor insecurities are most often felt in the village; approximately 59% of the residents in the area complain about theft, followed by intimidation (28.20%) and minor violence (13.82%). Other basic government services such as education, health, sewerages and utilities are least available; 55.7% and 48.5% have no access to clean water and power supply respectively.

DETERMINANTS OF POVERTY

The study has employed binary logistic regression model to identify the major determinants of poverty in the study area. Examination of the Log it estimates demonstrates that eight predictor variables were regressed. The coefficients for five variables were found statistically significant at

10 and 1 percent levels respectively. The log of consumption expenditure, household size, education level of the head of the household, access to health facility and status of unemployment are the significant variables.

Table 6: Marginal Effect after log it for analyzing urban poverty

Variable	Marginal effect	Standard error
Lnconsumexp	-0.288 *	0.150
Gender	0.137	0.143
Household size	0.030*	0.025
Education Level of HHH	-0.093*	0.057
Age of Household Head	0.008	0.006
Unemployment	0.462***	0.069
Access to Health	-0.227*	0.120
Marital Status	-0.102	0.122
Observation	97	
LR Chi ² (8)	14.47	
Prob > chi ²	0.0704	

Standard errors in parentheses * p<0.05, ** p<0.01, *** p<0.001

Source: Survey conducted by the author, 2016

Log of consumption expenditure: The result in logistic regression model in this study has indicated that the coefficient of the log of consumption expenditure is negatively related to poverty and significant at the 10 percent level. The implication of this reflects an increase in consumption expenditure by one unit decreases the probability of household falling into poverty reduces by 2.8 percent.

Household size: Another determinant of poverty in the study area is household size. The sign is as expected and statistically significant at 10 percent. The rise in the household size by one individual increases the likelihood of the household falling into the poor category by 0.3 percent. Similar research (2017) finds a similar result indicating positive effects of family on poverty.³³

Education: As shown in the results in the above table, the coefficient for education of the household head is negatively associated to poverty and statistically significant at 10 percent precision level. The increase of the education of the head of the household head by one year, results decreasing probability of household to fall into poverty by 0.93 percent. This may be so due to the fact that educated people would have better opportunities to get employment with good income and perform business activities.

Unemployment: As expected, the result of this variable is positively related to poverty. The coefficient of unemployment indicates that unemployment is positively and significantly related (affects) poverty at 1 percent level. As the head of the family falls under unemployment status the probability that his/her family will fall into the poor category increases by 4.6 percent. Indeed, there is positive correlation between unemployment rate and the extent of poverty in

³³ Ibid., 21.

urban areas.³⁴ In fact, access to health facility: As can be seen from the logistic regression output, access to health facility reduces that probability of the household falling into poverty by 2.7 percent.

CONCLUSION

In Somaliland, poverty is observed as a multi-faceted social and economic problem. The basic needs approach is found to be the most appropriate one for measuring poverty. The poverty in Somaliland and other parts of the developing nations lack access to basic needs: inadequate basic services and goods such as lack of clean water, nutritious food, lack of hygiene and sanitation, lack of basic health facilities, lower standard houses without lighting, unemployment, and poorly paid wages. The combination of these problems deteriorates and worsens the living conditions of the urban poor in Somaliland.

Several dimensions of poverty are worth to mention; most of the basic needs are missing or lacked in the area. Food, shelter, education, health and provision of utilities are all least available and inaccessible to the urban poor in Somaliland. Approximately, 40% of the residents in the study area face food shortages for a period of one month in the last twelve months. Shelter one of the most important basic human needs, is found in low standards. The majority of the urban poor live under houses made from iron sheets or Somali traditional houses made from a combination of several items such as thick sticks, worn-out clothes, cartons and plastics. These types of houses are very vulnerable to risks, including fire and storms. There are no separate rooms for the boys and girls or adults and children. The problem is still found in the education and health sectors, both are less available or accessible; more than 32% of the children do not attend schools. More than 60% of the residents in the village have no access to a health facility. Utilities provision is also found rarely in the area. Over half of the population does not get clean water and power supply.

Out of eight explanatory variables for determining the factors affecting urban poverty in the study area, five of them are found with significant effect at different levels. The log of consumption expenditure, household size, education level of the head of the household, access to health facilities and status of unemployment are the significant variables.

To overcome the above mentioned problems, the attention of concerned bodies via intervention and preparation of comprehensive and inclusive national planning to reduce poverty, promotion of employment creation structures, introduction of income generating activities, investment on education (vocations and training) and health, introduction of poor friendly public utilities, promotion of investment in national productive assets and institutionalization of local community support systems (local charity) is required.

³⁴ Ibid., 28.