



RESEARCH PAPER

The Effects of Access to Microfinance on Entrepreneurial Development in Eastern Region of Afghanistan

¹ Dr. Mahboobulhaq Haneef

1. Associate Professor, Department of Economics, Khurasan University, Nangarhar, Afghanistan

*Corresponding Author: mahboob.haneef@gmail.com

ABSTRACT

Entrepreneurship development has been shown to be important to economic growth, job creation and poverty alleviation, especially in developing and post-conflict countries. But the lack of financial resources is still one of the challenges in the growth and sustainability of SMEs. This study explores the impact of accessing microfinance on the development of entrepreneurship in eastern Afghanistan and the role of technology use. The quantitative research method was adopted in which the primary data was gathered through a structured questionnaire from 150 SME owners and managers from Nangarhar, Kunar and Laghman provinces. The relationships among the study variables were analyzed using descriptive statistics, Pearson correlation and multiple regression analysis. The results show that the access to microfinance and technology adoption have positive and statistically significant impact on entrepreneurial development. The results of the correlation analysis showed that entrepreneurship development was positively correlated with technologies and access to microfinance with high positive correlations of $r = 0.723$ and $r = 0.674$ respectively and significant at 1% level. The regression results also showed that technologies ($\beta = 0.496$, $p < 0.001$) have a more significant influence on entrepreneurial development than access to microfinance ($\beta = 0.367$, $p < 0.001$). The model had an explanatory power of 60.6% ($R^2 = 0.606$), which is considered significant. The study suggests that the improvement of access to microfinance and the promotion of the adoption of technology can have a significant impact on the development of entrepreneurship and business activity of SMEs in eastern Afghanistan.

KEYWORDS Microfinance, Entrepreneurial Development, Eastern Region

1. Introduction

In the developing world, microfinance has become a key financial innovation to combat poverty and improve economic inclusion. It lends small amounts of money, offers savings facilities and other financial services to people who don't have access to traditional banking systems. Microfinance is also an important mechanism for the poor to start and develop income-generating opportunities in countries where formal financial institutions are underdeveloped in rural and conflict-affected areas, such as Afghanistan. Microfinance can help to increase access to capital, which in turn can foster entrepreneurship and promote local economic development (Hemat & Rahman, 2024). The microfinance sector formally began in the early 2000s in Afghanistan as a result of post-conflict reconstruction and rural development efforts. To coordinate and expand financial services throughout Afghanistan, institutions like the Microfinance Investment Support Facility for Afghanistan (MISFA) were set up. These schemes have greatly facilitated credit flow to small businessmen, especially those in rural areas who are less well served by banking facilities. Some evidence indicates that MFIs have helped their clients to boost their incomes and employment (Hemat & Rahman, 2024; FinDev Gateway, 2009). Agricultural livelihoods and small scale trade are the predominant activities in the eastern provinces of Nangarhar, Kunar and Laghman. Yet, the region is beset with ongoing problems of unemployment, poor infrastructure and access to financial services. In this regard, microfinance institutions have emerged as a crucial instrument for supporting entrepreneurship, through the supply

of capital to small enterprises, livestock and retail business. The increased financial inclusion has been found to have the potential to change rural livelihoods, through the creation of opportunities for self-employment and business expansion (World Bank, 2019).

The entrepreneurial development has been identified as one of the most important factors in economic growth, especially in developing and post-conflict countries. Availability of finance is one of the most important elements that affect the success and sustainability of entrepreneurial ventures. Microfinance offers not only financial means, but also encourages innovation, risk taking and business diversification among the poor. In Afghanistan, microfinance has been associated with the rise in entrepreneurship, particularly for women and youth, who are often excluded from access to conventional financial services (Chandrashekhar & Sultani, 2021). Despite the positive role that microfinance can play in promoting entrepreneurship in Afghanistan, the effects of microfinance on entrepreneurship are complex and mixed. Some studies have found that income generation and business formation have improved, but others have found that the poorest populations are excluded, loans are too big to be repaid, and loans are too expensive. Further, exogenous elements like the political uncertainty and poor institutional management remain barriers to the effectiveness of microfinance. Thus, it is important to conduct a thorough analysis of the impact of access to microfinance on the entrepreneurial development in eastern region of Afghanistan to gain the better understanding of the actual impact and policy implications (Hemat & Rahman, 2024). The study aims to address two questions: First, to explore the impact of microfinance on entrepreneurship development in the eastern region of Afghanistan and, Second, to examine how microfinance affects entrepreneurship development. Secondly, to analyze the impact of technologies on the development of entrepreneurship.

2. Literature Review

Microfinance has been widely acknowledged as one of the most important financial innovations that aims to expand access to credit for the poor, who are denied access to traditional financial institutions. It offers small loans, savings and financial services which help people to participate in income-generating activities. Brau and Woller (2004) argue that microfinance is a key driver of financial inclusion and entrepreneurship in developing economies because it helps to overcome credit constraints, which inhibit new business formation and growth. A vast amount of literature has identified a positive link between microfinance and entrepreneurial development, so that people can establish micro and small businesses. Credit gives the entrepreneur the opportunity to acquire productive assets, raw materials and expand his business. As Robinson (2001) explained, microfinance facilitates low income customers to boost productivity and enhance the returns on investment that in turn boosts entrepreneurial activity in both rural and urban areas. Empirical evidence also shows that microfinance is a tool for poverty reduction via entrepreneurship. Microfinance creates an environment for self-employment and income diversification through the provision of financial resources. Microfinance interventions have been found to have a positive impact on the socioeconomic outcomes of interventions, as shown by a systematic review conducted by Ribeiro et al. (2022), especially when paired with training and other business support services, which boost entrepreneurship. Microfinance also serves as a catalyst for entrepreneurial behavior by encouraging borrowers to take risks and innovate, as well as providing financial support. When credit is available, those who have never had access to capital resources have a greater chance of trying out new business ventures. Shamsi et al. (2025) state that microfinance is not only about access to finance but also fosters entrepreneurship as a means for economic empowerment and sustainable development.

But there are also some constraints found in the effectiveness of microfinance in fostering entrepreneurship in the literature. Others studies suggest that the size of the small loans and the pressure of repayment slows down the growth of business and its profitability. Tariq et al. (2020) found that, although microfinance can help women entrepreneurs to establish businesses, there are a number of challenges that hamper the expansion of the business, such as limited access to capital and markets. The other major issue in the literature is the use of microcredit for non-productive purposes. Sometimes borrowers are using the loan for consumption instead of investing in entrepreneurial activities. This mitigates possible effects of microfinance on business growth. Rahman and Rajib (2023) suggest that the impact of microfinance on productive entrepreneurship is less consistent in the long run, and is context-specific. Another important factor is institutional, which also affects the role of microfinance in entrepreneurial development. Microfinance programs are more successful when they have strong regulations, financial literacy, and supportive economic factors. Boudreaux et al. (2021) found that institutional quality, in terms of governance, economic freedom, and markets, is a key determinant of entrepreneurship outcomes. Gender specific research indicates that microfinance has a significant effect on female entrepreneurship. A significant number of the microfinance programs are oriented towards

empowering women in terms of economic welfare for the households. Khan, Bhat and Sangmi (2020) however observe that while women are now able to access business opportunities to a greater extent, social restraints and lack of decision-making authority could limit the effectiveness of microfinance in empowering female entrepreneurs. Recent literature also emphasizes the need to provide microfinance together with other non-financial services, like training, mentorship and business development support. Such services are complementary and have a positive impact on the success of entrepreneurs. The authors of Ribeiro et al. (2022) highlight the fact that entrepreneurship development is more sustainable when it is combined with the strengthening of managerial and financial skills through capacity-building programs, in addition to the use of microfinance.

In general, the literature presents mixed results on the impact of microfinance on entrepreneurial development. It can help to create a business and earn income, but its effect over time is influenced by loan size, institutional quality, financial literacy, and access to markets. Thus, the use of microfinance must be considered as part of a more comprehensive entrepreneurship development approach, and not as a single solution.

3. Material and Methods

The method used in this study is quantitative research method with the effects of access to microfinance on entrepreneurial development in the eastern region of Afghanistan as research objectives. The quantitative research method was appropriate for this research in order to investigate the effects of access to microfinance on entrepreneurial development. The primary data for the study was obtained from the respondents directly through a structured questionnaire distributed to Small and Medium Enterprises (SMEs). This ensured that the information is grounded in real experiences and perspectives of entrepreneurs about access to microfinance and its effect on business development. The target population for the study was SMEs in the eastern part of Afghanistan and a sample of 150 SMEs was taken using an appropriate sampling technique to be representative in order to minimize the biasness of the data. The collected data was analyzed using multiple regression analysis in order to find out the relationship between the independent variable (access to microfinance) and the dependent variable (entrepreneurial development) with other variables that effects the study. The multiple linear regression method was used for assessing the significance of hypothesized relationships and the strength of relationships between variables. Following model was estimated to investigate the effects access to microfinance on entrepreneurship development

$$ED = \beta_0 + \beta_1 AMF + \beta_2 T + \varepsilon$$

Where, ED stand for Entrepreneurship Development, AMF stand for Access to Microfinance, and T stand for Technology, β_0 stand for Constant term, β_1 , β_2 stand for coefficient of the explanatory variables, and ε depicts for Error term.

4. Results and Discussion

4.1 Descriptive Statistics

Table 1
Descriptive Statistics

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Entrepreneurship Development	150	3.50	5.00	4.9117	.19886
Technologies	150	3.75	5.00	4.9017	.20460
Access to Microfinance	150	3.00	5.00	4.9367	.20519

The descriptive statistics of the study variables (Entrepreneurship Development, Technologies, and Access to Microfinance) are presented in Table 1 based on 150 SMEs in the eastern region of Afghanistan. Descriptive statistics include minimum and maximum values, means and standard deviations of the variables. The results show that Entrepreneurship Development minimum value is 3.50 and the maximum value is 5.00, the mean score is 4.9117 and the standard deviation is 0.19886. The respondents' general perception of high entrepreneurial development in their businesses is indicated

by the high mean score. Moreover, the standard deviation of the answers is low, which shows that the answers are grouped around the mean value, meaning that the respondents agree on entrepreneurial development. The minimum and maximum values of the variable Technologies are 3.75 and 5.00, respectively. The average score is 4.9017 and the standard deviation of the scores is 0.20460. The result suggests that the SMEs responded to the questionnaire have high perception of the availability and use of technologies in their business operations. The low standard deviation is another indication of consistency in respondents' opinions as it indicates that the majority of respondents hold the same opinions about the role of technology supporting business activities. In the case of Access to Microfinance, the minimum value is 3.00 and the maximum value is 5.00, with the highest mean value of all variables being 4.9367; the standard deviation is 0.20519. This means that the overall access to microfinance is very high. The small standard deviation indicates that there is not much difference in the responses received, implying that access to microfinance is perceived as available and useful for most of the sampled SMEs.

In general, the descriptive statistics show that the mean scores of all three variables are well above the 4.90 scale, which means that the general opinion of the respondents is positive. Furthermore, low standard deviation values (less than 0.21) indicate a high level of agreement among SMEs on entrepreneurship development, the adoption of technology and the access to microfinance. The results indicated that the access to microfinance and technology is perceived as important factors for entrepreneurial development in the eastern region of Afghanistan, and could be used as a basis for further inferential analysis through the regression technique.

4.2 Correlation Matrix

Table 2
Correlation Matrix

Variables		Entrepreneurship Development	Technologies	Access to Microfinance
Entrepreneurship Development	Pearson Correlation	1		
	Sig. (2-tailed)			
	N	150		
Technologies	Pearson Correlation	.723**	1	
	Sig. (2-tailed)	.000		
	N	150	150	
Access to Microfinance	Pearson Correlation	.674**	.620**	1
	Sig. (2-tailed)	.000	.000	
	N	150	150	150

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

The Pearson correlation coefficient between the study variables (Entrepreneurship Development, Technologies, and Access to Microfinance) is shown in Table 2. The data from 150 SMEs in the eastern region of Afghanistan was used for correlation analysis. The Pearson correlation coefficient is used to assess the strength and direction of the linear association between two variables and can range from -1 to +1. Positive values mean that there is a positive relationship, and negative values mean that there is an inverse (or negative) relationship. The results indicate that there is a strong positive and statistically significant relationship between Technologies and Entrepreneurship Development ($r = 0.723$, $p < 0.01$). The results suggest that the use and adoption of technologies are linked with entrepreneurial development of SMEs. The correlation coefficient of 0.723 shows high association means that technology has a significant role in improving business performance, innovation and growth of entrepreneurs in the eastern region of Afghanistan. Likewise, Entrepreneurship Development is positively and significantly related to Access to Microfinance ($r = 0.674$, $p < 0.01$). The results suggest that the greater the access to microfinance services, the greater the entrepreneurial development. The relationship is of moderate strength, meaning that having financial resources helps entrepreneurs to invest in business growth, optimize the process and seize market opportunities. This finding corroborates the notion that microfinance plays a key role in entrepreneurship development. The correlation matrix also shows that there is a positive and significant correlation between Technologies and Access to Microfinance ($r = 0.620$, $p < 0.01$). This implies that SMEs better access

to microfinance services have more chances of using and embracing modern technologies in their business activities. The positive association can suggest that financial assistance from the microfinance can help businesses in getting technological resources and make them more efficient.

All correlations are statistically significant at 1% level (two-tailed) as the significance values are 0.000. Thus, it has been concluded that these relationships are unlikely to be due to chance. Moreover, none of the correlation coefficients is above 0.80, suggesting that the independent variables are not highly correlated with each other and thus are appropriate for multiple regression analysis.

4.3 Regression Result

Table 3
Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.778a	.606	.600	.12569

a. Predictors: (Constant), Technologies, Access to Microfinance

The Model Summary of the multiple regression analysis carried out to investigate the impact of Technologies and Access to Microfinance on Entrepreneurship Development among SMEs in the eastern region of Afghanistan is presented in Table 3. The results reveal that the independent variables (Technologies and Access to Microfinance) are correlated with the dependent variable (Entrepreneurship Development) with R value of 0.778, which shows that strong positive relationship exists between the independent and dependent variables. A combined effect of technologies and access to microfinance is strongly related to the difference in entrepreneurial development of sampled SMEs, this suggests. The value of R square (R^2) is 0.606, showing that the two independent variables in the model account for 60.6% of the variation in Entrepreneurship Development. That is, the difference in entrepreneurial development between SMEs is a significant portion due to both Technologies and Access to Microfinance. The proportion of variance not accounted for by the model is 39.4%, which is due to other factors not accounted for, including managerial skills, market conditions, government support, infrastructure, education, and other business related factors. The Adjusted R Square value is 0.600 which is less than R Square value. Adjusted R Square corrects for the number of predictors in the model and gives a better estimate of the model's explanatory power. The slight difference between R Square (0.606) and Adjusted R Square (0.600) shows that the model is stable as the independent variables included in the model explain the entrepreneurship development in a meaningful way without overestimating the model's explanatory power. In addition, the Standard Error of the Estimate is 0.12569, indicating the average distance of the observed values from the predicted values in the regression model. The standard error is relatively small, indicating that the model can predict entrepreneurship development reasonably well, and the errors in the model are small.

Table 4
Analysis of Variance

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	3.570	2	1.785	112.975	.000b
Residual	2.322	147	.016		
Total	5.892	149			

a. Dependent Variable: Entrepreneurship Development

b. Predictors: (Constant), Technologies, Access to Microfinance

The results of the Analysis of Variance (ANOVA) for the Multiple regression model to see the effects of Technologies and Access to Microfinance on Entrepreneurship Development among SMEs in eastern region of Afghanistan are presented in Table 4. The ANOVA results show that the regression model is significant with an F-value of 112.975 and a significance level ($p = .000$) less than the

conventional level of significance ($p = .05$). It has been concluded from this finding that the independent variables on their own and as a combination, significantly contribute to the variations of entrepreneurship development. Thus, the overall regression model makes a better prediction of entrepreneurship development than a model that contains no predictors. The results also indicate that the Regression Sum of Squares ($SS = 3.570$) is significantly larger than the sum of squares due to chance, and the Residual Sum of Squares ($SS = 2.322$) is the sum of squares that is not accounted for by the model. The model has 2 degrees of freedom for the model and 147 degrees of freedom for the residues, indicating that the model is able to explain entrepreneurial development of the sampled SMEs well. The significant F-statistic shows that at least one of the independent variables (Technologies or Access to Microfinance) significantly affects Entrepreneurship Development. Therefore, the null hypothesis is rejected and the model is statistically valid and appropriate to interpret individual regression coefficients.

Table 5**Regression Result**

Model	Standardized		Coefficients	t	Sig.
	Unstandardized Coefficients				
	B	Std. Error	Beta		
(Constant)	.795	.275		2.892	.004
Technologies	.482	.064	.496	7.515	.000
Access to Microfinance	.355	.064	.367	5.554	.000

a. Dependent Variable: Entrepreneurship Development

Table 5 shows the result of multiple regression analysis testing the impact of the independent variables Technologies and Access to Microfinance on Entrepreneurship Development of SMEs in the eastern region of Afghanistan. The regression coefficients represent the amount of change in the dependent variable for a given unit change in the independent variable, with all other independent variables remaining constant. The constant (intercept) is statistically significant with a coefficient value of 0.795, a t-value of 2.892 and a significance level of 0.004. This indicates that under the condition of constant other variables, the forecast value of entrepreneurship development is 0.795. The results indicate that Technologies is positively significant and statistically significant that is the value of the unstandardized coefficient ($B = 0.482$); the value of the standardized coefficient ($\beta = 0.496$); the value of $t = 7.515$; the value of significance ($p = 0.000$). This means holding other factors constant, a one-unit increase in the technology adoption level is related to a 0.482-unit increase in entrepreneurship development. A positive coefficient means that the higher the use of technology, the more successful the entrepreneurial activities, business efficiency, innovation, and growth. The p-value is smaller than 0.05, which means that the effect of technologies on entrepreneurship development is statistically significant. Moreover, the standardized beta coefficient indicates that technologies are the most important variable in the model.

Similarly, Access to Microfinance also has a positive and statistically significant effect on Entrepreneurship Development. The results show an unstandardized coefficient ($B = 0.355$), a standardized coefficient ($\beta = 0.367$), a t-value of 5.554, and a significance level of $p = 0.000$. This means that for a one-unit change in access to microfinance, entrepreneurship development increases by 0.355 unit, holding other factors constant. The positive relationship implies that more financial resources will allow entrepreneurs to invest in growing their businesses, acquire productive assets, and enhance the performance of their operations. The high p-value indicates that the microfinance is an important factor in entrepreneurial development for SMEs. From a comparison of the standardized beta coefficients, it is observed that Technologies ($\beta = 0.496$) have a greater influence on Entrepreneurship Development than Access to Microfinance ($\beta = 0.367$). This suggests that while technology and business development are both important, technology has a relatively larger influence on the growth and development of SMEs. In general, the regression results show sufficient empirical support that both technologies and access to microfinance have positive and significant effects on entrepreneurship development in the eastern region of Afghanistan. Based on this, the study recommends that technological skills can be significantly enhanced and access to microfinance can be increased to make a significant contribution to the growth of entrepreneurship and business performance of SMEs.

5. Discussion

The results of this study reveal that the use of microfinance and technology is significant in determining entrepreneurial development of SMEs in the eastern region of Afghanistan. The descriptive statistics showed that the mean score of entrepreneurship development, technologies and access to microfinance were high, suggesting generally that they believed that these factors were significant in the growth of their businesses. The results are in line with the argumentation of Robinson (2001) who stressed that microfinance becomes a catalyst for entrepreneurial activities when it can supply financial resources to the entrepreneurs, so that they can invest in productive activities. Similarly, Brau and Woller (2004) observed that availability of financial services lowers credit limitations and also improves the capability of the entrepreneurs to set up and grow their businesses. The positive perception that SMEs in this study have towards microfinance institutions and technological advancements imply that both are now important instruments to assist entrepreneurship in developing economies. Correlation analysis showed strong and positive correlation between technologies and entrepreneurship development ($r = .723$, $p < .01$) and between access of microfinance and entrepreneurship development ($r = .674$, $p < .01$). The study reveals that financial services and modern technologies have a significant impact on business growth and development, with the findings indicating that those entrepreneurs with greater access to these services and technologies are more likely to experience business growth and development. The findings are corroborated by Ribeiro et al. (2022), who have concluded that microfinance can play its part in promoting entrepreneurial success through investment, innovation and expansion of the business. Similarly, Boudreaux et al. (2021) claimed that entrepreneurship thrives when people are able to use resources to capture economic opportunities. The strong link between technologies and entrepreneurship development is also congruent with the innovation theory of entrepreneurship that focuses on the importance of technological growth to productivity and competitiveness.

The regression analysis also showed that both technologies and access to microfinance have a positive impact on entrepreneurship development that is statistically significant. The results showed that technologies ($\beta = .496$, $p < .001$) had a greater effect on entrepreneurship development than microfinance ($\beta = .367$, $p < .001$). This discovery implies that although financial resources are crucial, the entrepreneurs' capacity to embrace and make use of contemporary technologies is more significant in the enhancement of business performance. This finding is consistent with the findings of Audretsch and Keilbach (2004) that technological capabilities play an important role in entrepreneurial success and economic growth. Likewise, Shane (2003) posited that entrepreneurs who successfully harness technology are more likely to discover opportunities, increase efficiency and maintain competitive advantages in the dynamic marketplace. Thus, technology seems to play a significant role in entrepreneurship growth of SMEs in Afghanistan. The model summary and ANOVA results revealed that the regression model has high explanatory power and that the technologies and access to microfinance together explain 60.6% of the variation in entrepreneurship development ($R^2 = .606$). The overall model is valid based on the significant F-statistic ($F = 112.975$, $p < .001$). The results are aligned with the previous empirical studies which found that access to finance and technological innovation are two key factors in entrepreneurial performance (Beck et al., 2005; Demirgüç-Kunt et al., 2018). The fact that the model has a relatively high explanatory power indicates that policy measures focusing on financial inclusion and on the adoption of technologies could have a strong impact on entrepreneurial results. But the unexplained variation suggests that other factors such as managerial skills, market conditions, government support and infrastructure development can also play a role in entrepreneurial growth and should be taken into account in further research.

6. Conclusion

The impact of microfinance and technology adoption on entrepreneurship development of SMEs in the eastern region of Afghanistan was studied. The results showed that there is positive

and statistically significant relationship between both variables and entrepreneurial development. The descriptive statistics revealed that the respondents had high access to microfinance, utilization of technology and development of entrepreneurship. The correlation analysis showed strong positive correlation between independent variables and entrepreneurial development, and the regression analysis showed that technologies have the strongest influence followed by the access to microfinance. The financial inclusion and technological capabilities of entrepreneurs explained a significant portion of entrepreneurial development, supporting the hypothesis that these are important factors for the growth of SMEs in the region. The study concludes that the enhancement of entrepreneurs' access to microfinance services, as well as the introduction of modern technologies can play a significant role to boost entrepreneurial activity and business performance in eastern Afghanistan. Microfinance can help SMEs access the finance they need to invest and grow their business, and technology can enhance their efficiency, innovation and competitiveness. As a result, policy, MFI and development organizations should focus on policies that increase financial access, digital and technological literacy, and MFI innovation for SMEs. These interventions not only help to develop entrepreneurship but also can be linked to the overall economic growth, job creation and poverty alleviation in the eastern part of Afghanistan.

References

- Audretsch, D. B., & Keilbach, M. (2004). *Entrepreneurship capital and economic performance*. *Regional Studies*, 38(8), 949–959. <https://doi.org/10.1080/0034340042000280956>
- Barney, J. (1991). *Firm resources and sustained competitive advantage*. *Journal of Management*, 17(1), 99–120. <https://doi.org/10.1177/014920639101700108>
- Beck, T., Demirgüç-Kunt, A., & Maksimovic, V. (2005). *Financial and legal constraints to firm growth: Does firm size matter?* *The Journal of Finance*, 60(1), 137–177. <https://doi.org/10.1111/j.1540-6261.2005.00727.x>
- Boudreaux, C., Jha, A., & Escaleras, M. (2021). *Weathering the storm: How foreign aid and institutions affect entrepreneurship following natural disasters*. *Journal of Entrepreneurship and Public Policy*, 10(2), 145–160. <https://doi.org/10.1108/JEPP-07-2019-0061>
- Brau, J. C., & Woller, G. M. (2004). *Microfinance: A comprehensive review of the existing literature*. *Journal of Entrepreneurial Finance*, 9(1), 1–28. <https://doi.org/10.57229/2373-1761.1074>
- Chandrashekhar, R., & Sultani, A. (2021). *Impact of microfinance on entrepreneurs in Afghanistan: An analysis of selected cases*. *International Journal of Science and Management Studies*, 4(1), 104–110. <https://doi.org/10.51386/25815946/ijsms-v4i1p110>
- Demirgüç-Kunt, A., Klapper, L., Singer, D., Ansar, S., & Hess, J. (2018). *The Global Findex database 2017: Measuring financial inclusion and the fintech revolution*. *World Bank*.
- FinDev Gateway. (2009). *The state of microfinance in Afghanistan*. <https://www.findevgateway.org/paper/2009/01/state-microfinance-afghanistan>
- Hemat, M. W., & Rahman, M. S. (2024). *Microfinance in Afghanistan: Trends, impacts, and challenges*. *Asia-Pacific Journal of Rural Development*, 34(1), 129–148. <https://doi.org/10.1177/10185291241235445>
- Khan, S. T., Bhat, M. A., & Sangmi, M. (2020). *Microfinance and women entrepreneurship: An extant literature review*. *ResearchGate*. <https://www.researchgate.net/publication/351319342>
- Rahman, M. A., & Rajib, S. U. (2023). *Does microfinance foster development? A critical review of literature*. *Global Business and Economics Review*, 29(4), 405–428. <https://doi.org/10.1504/GBER.2023.134362>

- Ribeiro, J. P. C., Duarte, F., & Gama, A. P. M. (2022). Does microfinance foster the development of its clients? A bibliometric analysis and systematic literature review. *Financial Innovation*, 8(34), 1–30. <https://doi.org/10.1186/s40854-022-00340-x>
- Robinson, M. S. (2001). The microfinance revolution: Sustainable finance for the poor. *World Bank*.
- Shamsi, S. Z. F., Ali, M., & Haider, S. Z. (2025). Microfinance and its role in promoting entrepreneurship and economic growth: A systematic literature review. *Journal of Business and Management Research*. <https://doi.org/10.64105/jbmr.04.02.419>
- Shane, S. (2003). A general theory of entrepreneurship: The individual-opportunity nexus. *Edward Elgar Publishing*.
- Tariq, S., Bhat, M. A., & Sangmi, M. (2020). Microfinance and women entrepreneurship: An extant literature review. *International Journal of Gender and Entrepreneurship*.
- United Nations Development Programme. (2023). Human development report 2023/2024. *UNDP*.
- World Bank. (2019). Community savings and loans transform rural lives in eastern Afghanistan. <https://www.worldbank.org/en/news/feature/2019/02/27/community-savings-and-loans-transform-rural-lives-in-eastern-afghanistan>
- World Bank. (2019). Financial inclusion and entrepreneurship development. *World Bank Publications*.
- World Bank. (2022). World development report 2022: Finance for an equitable recovery. *World Bank*.