



MILITANCY AND CONFLICTS IMPACT ON BUSINESS CLOSURES IN NIGERIAN COMMUNITIES

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ABSTRACT

No doubt, insecurity affects economic growth by drying-out investments, increases unemployment and dwindles government revenue, amongst others. This research on the effect of militancy or conflict on business closures has shed more light on some underlying factors that may lead to business closures in some Nigerian regions or areas. Contrary to popular belief, militancy or conflicts play a significant role in these closures. The findings show that lack of skills (acquisition) in these areas has a greater impact on business closures than militancy or conflict. As well as the impact of illiteracy on business/company closures is greater than that of militancy/conflict, which is closely related to skill acquisition. This lack of education or illiteracy is closely or synonymous to lack of skill acquisition.

Keywords: *Militancy, Conflicts, Insecurity, Business closures, Skills, Illiteracy*

INTRODUCTION

Insecurity and conflicts in Nigeria has reached an alarming proportion showing its ugly head in various facets of our national life. Lives are lost on daily basis, population depleted, businesses in comatose, investments are nose-diving, multinationals closing shops and vacating the country, unemployment soaring and the populace in fears. Clearly, it poses a threat to governance and economic growth in troubled nations (Onime, 2018). Conflict, according to Oby (2001), is inescapable and never stops happening. Every person has at least two or three conflicts per day, whether they occur at home, at work, during social gatherings, or even when they are alone in their bedroom and don't speak to anyone. Conflicts over resources is what this research actually investigating. Conflicts over resources can usually be easy to spot because they are visible, and they are also potentially easier to resolve. This conflict occurs when two or more people want the same thing and there isn't enough to go around, such as during a fuel crisis or a land dispute. In such cases, the

parties may frequently attack the resources, and the heat of the conflict will usually be focused on it. However, conflicts are resolved once the resources are made available (Osagie et al, 2010). According to Stewart (2004), the economic cost of insecurity is enormous. People who joined the fighting forces, who are killed or flee, can no longer work productively; schools, power stations, and roads that are destroyed reduced the productive capacity of the economy.

UNDP (1994) defined human security with a view to understanding what insecurity entails. According to it, human security means, first, safety from such chronic threats as hunger, disease and repression. And second, it means protection from sudden and hurtful disruptions in the patterns of daily life – whether in homes, in jobs or in communities. The report identified seven elements that makes up human security: (i) Economic security; (ii) Food security; (iii) Health security; (iv) Environmental security; (v) Personal security; (vi) Community security; and (vii) Political security. Anything short of this definition and elements, amounts to insecurity.

Problem Statement and Objective

According to Bur (2001), violent conflicts are largely to blame for a country's backwardness. Such crises prevent people from actively participating in the country's economic, social, and political progress. The Gross National Product of the country clearly shows that states are backward, particularly those that are prone to crises. Clearly, the effects of this phenomenon on Nigeria can be seen rather than imagined. The present study is an attempt to further research into the impact of militancy and conflicts especially with respect to the local economies business closures in communities in Nigeria.

LITERATURE OVERVIEW

Militancy is defined as the use of violence or aggressiveness to support a cause, or the use of confrontational or violent methods to support a political or social cause, while a conflict is defined as fighting between two or more countries or groups of people in which negotiations with both sides have not yet resulted in a resolution or Conflict is defined as a serious disagreement and argument over something important between two or more parties.

The result of militancy and conflict in any place or region produces the state of insecurity for all concerned. A feeling of inadequacy (not being good enough) and uncertainty is called insecurity. It causes anxiety about your objectives, connections, and capacity to handle particular circumstances. Everyone experiences insecurity occasionally. It can occur for many reasons and manifest itself in all facets of life.

Insecurity has been a feature of the Nigerian State since its independence in 1960, as conflicts in various parts of the country have continued to make life insecure. In the Niger Delta, where conflicts have raged for over four decades, violence has been the bane of the region. Insecurity and conflict in the Niger Delta Nigeria's Niger Delta region is made up of nine states: Abia, Akwa-Ibom, Bayelsa, Cross River, Delta, Edo, Imo, Ondo, and Rivers. The region is home to approximately 31 million people and is recognised as one of the world's ten most important wetland and coastal marine ecosystems (Ajodo-Adebanjoko, 2017).

There is a complex relationship between the proliferation of small arms and light weapons (SALWs) and the prevalence of violent criminality is a feature of Nigeria's web of insecurity. This nexus is most visible in the outbreak of militancy in the oil-rich Niger Delta and the persistence of the Boko Haram insurgency in the Northeast. These two types of violent conflicts have severely depleted Nigeria's financial, material, and military resources (Onuoha, Okafor, Femi-Adedayo, 2021).

The causes of militancy in the Niger Delta can be divided into two categories: distant and immediate. Environmental degradation, marginalisation, and underdevelopment in the region, the existence of obnoxious laws such as the Petroleum Act of 1969 and the Land Use Act of 1978, and the assassination of Ken SaroWiwa are among the remote causes. Militancy's immediate causes, on the other hand, include militarization. The Nigerian state's occupation of the Niger Delta, the 'Youths Earnestly Ask for Abacha' programme, the Kaiama Declaration, bunkering by Niger Delta youths, and youth mobilisation as political thugs during the 1999 election (Ebienfa, 2011).

In summary, the causes of conflicts in southern Nigeria can be traced to two critical issues namely; feelings of alienation are the major source and secondly, the escalation of conflicts and subsequent hostage taking are the result of the government's insensitivity to these feelings, as evidenced by

its violent response to community agitations or popular protests (Ibaba, 2008).

In general, it is noteworthy that people's dependence on the government for their basic needs is the fundamental justification for the state's existence and their allegiance to it. Armed groups may therefore begin to emerge in response to citizens' agitation for the protection of their vital interests in a setting where states are unable or unwilling to provide for their basic needs (Mgbonyenbi&Emeni, 2020).

Whether you call it militancy or conflict or insecurity, the effect on the global economy is very significant on a general note and crippling to nations economy. According to Akresh et al (2012), conflicts result in immeasurable human suffering as well as significant economic and social costs, as history has repeatedly demonstrated. Investment and economic growth can be hindered by conflicts due to the death toll, destruction of infrastructure, human capital, and institutions, political instability, and increased level of uncertainty they bring with them—both during and after the conflict, making it challenging to escape the "conflict trap."

Conflict has a significant impact on both the revenue and expenditure sides of a country's public finances. Conflicts in Sub-Saharan Africa are frequently localised and concentrated in specific regions of a country. A simple comparison of economic growth rates in conflict and non-conflict cases shows that real GDP growth is about 2.5 percentage points lower in conflict areas, and growth is lowest in high-intensity conflict areas. In conflict situations, growth tends to be lower across all country groups, but commodity exporters (particularly non-oil commodity exporters) have suffered the most.

According to Beland (2005) insecurity entails lack of protection from crime (being unsafe) and lack of freedom from psychological harm (unprotected from emotional stress resulting from paucity of assurance that an individual is accepted, has opportunity and choices to fulfil his or her own potentials including freedom from fear.

The effect of Insecurity on economic growth has been described to be negative. Stewart (2004) analysed the effect of conflict and insecurity on development for twenty five countries between 1960 – 1995 and found that economic growth was almost always affected, agricultural sector was

badly hit, exports were negative, production fell, there was a shift from international to domestic markets, imports went up dominated by military expenditure and essential consumption goods, usually leading to a shortage of foreign exchange for economic inputs., consumption per head fell, government revenue as a share of GDP mostly fell and foreign and private investments including government investment fell.

Result and Findings

The results of this work will be discussed "*pari-pasu*" with the findings based on each section and questions from the questionnaire. The questionnaire was administered using google form online.

Table 1: State of Origins of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Lagos	14	11.3	12.1	12.1
	Edo	36	29.0	31.0	43.1
	Cross River	8	6.5	6.9	50.0
	Ondo	27	21.8	23.3	73.3
	Delta	10	8.1	8.6	81.9
	Osun	16	12.9	13.8	95.7
	Abia	5	4.0	4.3	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

The state of origin of the respondents are provided in table 1. From the table a total of 124 respondents responded to the questionnaire. Edo state led followed by Ondo, Osun, Lagos and Delta with percentage values of 29, 21.1, 12.9, 11.3 and 8.1 percent respectively.

Table 2: Sex distribution of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	96	77.4	82.8	82.8
	Female	20	16.1	17.2	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

The sex distribution of respondents shows that 96 were males and 20 were females of the total 124 questionnaires. The percentage distribution for the sexes are 77.4 and 16.1 percent respectively as seen in table 2.

Table 3: Respondents Age distribution

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-29	68	54.8	58.6	58.6
	30-39	24	19.4	20.7	79.3
	40-49	6	4.8	5.2	84.5
	50 and above	18	14.5	15.5	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

The respondents age distribution shows that from the age range adopted were 18-29, 30-39, 40-49, 50and above. The frequency for the age range are 68, 24,6, 18. The percentage equivalent are 54.8, 19.4, 4.8, 14.5 percent respectively.

Further observation shows that over 70 percent of respondents are between the ages of 18-39, while those 40 and above are just less than 20 percent. The logical explanation will be that since the survey was done via online the age bracket of between 18-39 are more active online than the higher age groups. This group also consist of the most active of the age groups in this survey and as such their response is very important. The information for this observation is captured in table 3.

Table 4: Marital status of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single	87	70.2	75.0	75.0
	Married	29	23.4	25.0	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

The information about the marital status of respondents is in table 4. From the table singles are 87, married are 29. This give 70.2 percent and 23.4 percent respectively.

Table 5: Highest Educational qualification

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	NCE / ND	30	24.2	25.9	25.9
	BSc / HND	66	53.2	56.9	82.8
	masters	6	4.8	5.2	87.9
	PhD	14	11.3	12.1	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

Of the 124 respondents 30 are NCE/ND holders, 66 are BSc/HND holders, 6 are master's degree holders and 14 are PhD degree holders. The corresponding percentages are 24.2, 53.2, 4.8, 11.3 percent respectively (table 5).

From this the BSc/HND holders make up the largest group, followed by the NCE/ND holders and PhD and master's degree holders respectively.

Research Questions

For the research question responses are categorized into numerical values ranging from 1-5. The value the respondents gives or scores the question determine his/her perception concerning that question.

Scoring a question 1 is the least and scoring it 5 is the highest. 1 corresponds to strongly disagree, 2 corresponds to disagree, 3 corresponds to average, while 4 and 5 corresponds to agree and strongly agree respectively. The Effect on Business Closure in the area was investigated and results provided below using the tables.

Table 6: All business/company closure in your locality is caused by militancy/conflict

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	40	32.3	34.5	34.5
	2	48	38.7	41.4	75.9
	3	4	3.2	3.4	79.3
	4	16	12.9	13.8	93.1
	5	8	6.5	6.9	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

Whether all business closure in these areas are as a result of militancy or conflicts, the respondents' perception is provided in table 6. 40 and 48 respondents making up 32.3 and 38.7 percent respectively differ in the opinion.

This suggests that the main issues affecting businesses closures in areas perceived hard hit by the incidence of militancy or conflicts is not as a result of this problem. Therefore, there is need to do more to be able to unravel the primary cause of business closures in Nigeria.

Table 7: Checking militancy/conflict will lead to non-closures of business/companies in your locality

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	16	12.9	13.8	13.8
	2	28	22.6	24.1	37.9
	3	28	22.6	24.1	62.1
	4	10	8.1	8.6	70.7
	5	34	27.4	29.3	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

Reactions to "Checking militancy/conflict will lead to non-closures of business/companies in your locality" as shown in table 7, aligns itself to some extent with the perception from the table 6, that insecurity as it relates to militancy or conflicts in areas studied is not primary as a result of this issues.

The table shows that respondents score of 1 and 2 are 16 and 28. This is approximately 35.5 percent. While on the other side of the divide, the scores for 4 and 5 were 10 and 34, this approximately make up 34.5 percent. Ordinarily, one would have thought otherwise.

Table 8: Foreign businesses/companies outfits are more affected than local ones

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	6	4.8	5.2	5.2
	2	28	22.6	24.1	29.3
	3	54	43.5	46.6	75.9
	4	8	6.5	6.9	82.8
	5	20	16.1	17.2	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

Table 8 deals with the responses from the which business is prone to attack "Foreign businesses/companies outfits are more affected than local ones".

Score 1 and 2, had 6 and 28 each respectively. This is 27.4 percent of the total respondents. On the average 54 scored the question 3, from this it can be seen that respondents are either undecided or feel no one whether foreign or local businesses is affected more in the case of militancy or conflicts.4 and 5 had 8 and 20 responses each. This is 22.6 percent of the total.

Table 9: In terms of direct attacks on facilities, foreign businesses/companies are primary targets than local ones

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	24	19.4	20.7	20.7
	2	14	11.3	12.1	32.8
	3	34	27.4	29.3	62.1
	4	28	22.6	24.1	86.2
	5	16	12.9	13.8	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

In terms of direct attacks on facilities, foreign businesses/companies are primary targets than local ones. Table 9 shows that more of the respondents feel that foreign facilities are targeted more than local business facilities. 24 respondents scored it 1 and 14 persons scored it 2.

The combined percent is 30.7. 28 scored it 4 and 16 scored it 5. The combined percentage is 35.5 percent.

34 respondents scored it 3, this shows that for the individual scoring this is the highest translating 27.4 percent. The respondents still believe that there is no difference in the attack on facilities or they are undecided.

Table 10: Lack of skills (acquisition) is more impactful on business/companies closures than militancy/conflict

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	24	19.4	20.7	20.7
	2	30	24.2	25.9	46.6
	3	30	24.2	25.9	72.4
	4	18	14.5	15.5	87.9
	5	14	11.3	12.1	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

Table 10 shows that lack of skills in these areas are more impactful to business closures than militancy or conflicts. Perhaps, this is the underlying reason for the responses above. The percent of the total response for score 1 and 2 is 46.6%.

Table 11: Lack of education qualification(illiteracy) is more impactful on business/companies closures than militancy/conflict

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1	48	38.7	41.4	41.4
	2	18	14.5	15.5	56.9
	3	26	21.0	22.4	79.3
	4	8	6.5	6.9	86.2
	5	16	12.9	13.8	100.0
	Total	116	93.5	100.0	
Missing	System	8	6.5		
Total		124	100.0		

Lack of education qualification(illiteracy) is more impactful on business/companies closures than militancy/conflict is closely related to skill acquisition. Table 11 shows that respondents agree to the fact that

lack of education has a direct effect on business closure that insecurity. 56.9 percent agrees to this while 20.7 percent disagrees.

CONCLUSION

On the effect of militancy or conflict on business closures this research has thrown more light on some underlying factors that may lead to business closures in some regions or areas in Nigeria. As against the traditional believe that militancy or conflicts plays a significant role to these closures. E.g. All business/company closure in your locality is caused by militancy/conflict and Checking militancy/conflict will lead to non-closures of business/companies in your locality.

According to the findings, a lack of skills in these areas has a greater impact on business closures than militancy or conflict. This could be the underlying reason for the responses above. Scores 1 and 2 received 46.6% of the total response.

Illiteracy has a greater impact on business/company closures than militancy/conflict, which is closely related to skill acquisition. According to the findings, respondents agree that a lack of education has a direct impact on business closure and insecurity. This is supported by 56.9 percent of respondents, while 20.7 percent disagree.

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