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NEGATIVE SOCIO-ECONOMIC IMPACTS OF NIGERIA'S BOKO HARAM ACTIVITIES

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ABSTRACT

Terrorism has been a global menace which affects the economic, political and social status of the country experiencing it [12]. The incessant bombings and gun attacks in the Northern parts of Nigeria by the Boko Haram terrorist group have seriously affected and impacted on the social-economic lives of Nigerians and Nigeria, Chad, Niger and Cameroon. The author examines the effects of Boko Haram activities on Foreign Direct Investment (FDI), as Bane to Economic Development and on forced migration of citizens. This paper analyzes the Impact of Boko Haram activities on the Social-economic life of the Nigerian state with critical view on the role of Boko Haram activities and proposed solution.

KEY WORDS: Terrorism, Economic Consequences, Population Displacement, Boko Haram, Relative Deprivation.

1. INTRODUCTION

Terrorism which has become a global phenomenon is a deliberate and systematic use of violence to destroy, kill, maim and intimidate the innocent in order to achieve a goal or draw national/international attention or demands which ordinarily may be impossible or difficult to achieve under normal political negotiation or on the battle field against a government army. Terrorism whether internationalized or localized is always politically motivated. Though it may also show other auxiliary motives which include



religion, economic or social reasons. These motives constitute the ideology of a case for which terrorism seeks solution or sympathy of all terrorist groups that have ravaged Nigeria. The Boko Haram is undoubtedly the most blood thirsty and destructive, both in terms of its demonic brutality, mindless savagery and increasingly in scope of operation [22] (Obioma, 2009 cited in Chukwurah, Daniel C., Eme, Okechukwu and Ogbeje, Eunice Nmire, 2015.) [12], [15]. The terrorist group Boko Haram, has disrupted the peace and security of Northern Nigeria, and its threat to regional security is well-known. So far, a lot has been written about the political consequences of the group, and its deleterious consequences from a political perspective [3] [20].

Consequently, apart from the tragic loss of lives and property, the terrorist activities of Boko Haram constitute a major threat to the Nigerian economy and its social structure [12] [8]. Boko Haram has created a devastating and widespread tension across Northern Nigeria and between various ethnic communities, interrupted commercial activities, frightens investors and generated concerns among Nigeria's northern neighbours [12]. It is for this reason that this paper is aimed at addressing the possible negative effects of Boko Haram terrorist activities on the economy of Nigeria in particular and the Nigerian state in general.

2. BOKO HARAM AND FOREIGN DIRECT INVESTMENT

Since Boko Haram resumed its operations in 2010, foreign direct investment (FDI) into Nigeria has plummeted, owing to the political instability the country has faced. According to the World Investment Report (WIR) 2013, FDI flows into Nigeria dropped by 21.3 percent in just one year — from \$8.9 billion in 2011 to \$7 billion in 2012 [4].

This substantial loss in FDI over a short period of time will have many further consequences for the country. FDI into Nigeria has a direct impact on trade, assuring progression of economic growth. FDI inflow supplements the available domestic capital by stimulating the productivity of domestic investments. Consequently, most worrisome is the high co-dependency ratio between the inflow of FDI, the Nigerian oil sector, and the country's GDP.

Looking at it internationally, Boko Haram crisis has added to the fear of foreign investors that are in Nigeria [2]. Cases of kidnapping of expatriates in Nigeria are no more news, as it affects foreign investors. Also neighboring states have had their economies disrupted by the reason of the crisis.

3. ABANDONED NORTHERN REGION

The mass emigration of Nigerian citizens who are non-indigenous from the northern region of the major conflict-affected cities, is another major [7] formidable threat posed by Boko Haram to the Nigerian economy.

The mass movement of people from the north is already affecting the profitability of business establishments in that region. For instance, commercial banks were forced to review their operational hours to begin from 9.00am to 12.00 noon as against the normal operational period of 8.00am to 4.00pm [19]. The consequences of this can be imagined. A massive departure from the northern region will not only constitute a depletion of economic affairs in the north, as happened in the Basque country of Spain [5]. It will also throw those who are departing from the north into financial and psychological pressures.

Between the lack of jobs, and the increasing violence with the likes of terrorist groups such as Boko Haram, there has been a mass movement of Nigerian citizens looking to settle in areas not impacted by the violence [14]. The trouble is that the areas not affected



by the violence are most often areas that have nothing in terms of sustainable economic activity that would allow a person or a family to survive [4].

The rush to escape from the northern part of the country that has been hard hit is already affecting the businesses in the region. It has reached the point where accredited banks have begun closing down some of its branches due to a huge decrease of economic activity. On top of that, a number of employees at these businesses are demanding to be reassigned to areas that are less volatile. Once the banks and other businesses decide to pack up and move elsewhere, it leaves the region in a state of economic depletion, and one that won't easily be regained [4].

4. BANE TO ECONOMIC DEVELOPMENT

Since no economic development could take place in an atmosphere of fear, anarchy and insecurity, it therefore implies that Boko Haram menaces are bane to economic development. Boko Haram crisis has added to the fear of foreign investors that are in Nigeria [2]. As a result of these blasts, the citizens, mostly those who come from other parts of the country have relocated from the state, especially those from different ethnic group/religious. This does not mean well for the economic development of the country (Broad Street Journal 2012:19) [9].

In the second half of 2012, Boko Haram systematically destroyed hundreds of telecom towers, causing millions of dollars of damages and preventing the security forces from tracking down its members. One of the major challenges is that funds ought to have been utilized or spent on providing infrastructure like good roads, electricity and other vital amenities and as well established institutions and for the country to strive towards capacity building, the Boko Haram menace is crumbling all the effort [17] [1].

The northern economy before Boko Haram's terrorist activities used to be a bubbling and thriving one, that has now been grounded to a halt. The transport sector, both road and air that was fetching between N40 - 45,000 and N3 billion weekly respectively has reduced drastically, while the tourism sector which ranked first in the country and was generating 80 billion annually has now been paralyzed [18] [12].

The most negative impacts to the economy are in the area of agriculture, commerce and shelter. The result is that agricultural products and farm lands were destroyed. Livestock has been abandoned, family shelters have been lost, some individuals have been killed or injured and properties lost as well [16].

On the other hand, the commercial sector has reduced drastically. The small and medium scale enterprises, local markets, road side shops and stores within the affected states (Borno, Yobe, Kano, etc) have been closed down. Kano for example, for the past 500 years before the evolution of Nigeria served as a commercial nerve centre not only for the north but also the neighbouring countries like Chad, Niger, Cameroon and Western Sudan, and has the oldest and biggest multi billion naira textile market known in the sub-Saharan African – The Kanti Kwari market [21].

As 73.3% of business has partially closed operations, it's important to note here that most of these businesses are owned by southerners most of whom are Igbos [10] and which ultimately represents huge capital flight from the northern economy in both human and financial terms. Because of the activities of Boko Haram, businesses are stifled. Kano economy has practically crashed, Business is fizzling, income generated has dwindled. People now find it difficult to make ends meet [6] [13].

In addition, the core service sectors, schools, hospitals, hotels, parks and recreational outfits have also been affected drastically.



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The Health, banking, insurance and Education sectors have also been affected. Even vacancy announcement with attractive salary and benefits are not responded to [18]. In the agricultural sector, farmers in Kaduna, Plateau, and Borno no longer go to farm for fear of what will happen to them [10].

This represents real setback to the economy of the region and pushes unemployment higher as thousands of youth who would have been engaged are now left with unemployment. Speaking to the Sun newspaper about the activities of Boko Haram and the distortion of development in the country especially Boko state, Maiduguri in Borno to be precise, Amb. Ali Mongoro [11] opined that:

“The situation in Borno particularly in Maiduguri today is worse than what we witnessed during the civil war, every man or woman in Maiduguri feels threatened, afraid and unsafe. People have been seriously transmitted by the bad occurrence”.

5. RECOMMENDATIONS

From the aforementioned, it will be imperative to come up with the following recommendations, that:

- A. The Boko Haram offensive is already having social-economic impact on the Nigerian economy, and there is the need by the government to increase its effort to stabilize the region;
- B. The leadership of the North both political, religious and traditional, need to show deeper concern for the problem at hand;
- C. By addressing the root cause of the Insurgency, unemployment and poverty through a well robust social protection scheme would be addressed. Rebuilding education and creating employment should be the bedrock of this scheme. Women, children and youths should be the target, there should be empowerment through vocational training. While mosque, churches, and NGOs should be utilized;
- D. An improved intelligence gathering is needed to curb future violence. What Nigeria has been witnessing are the consequences of lack of national intelligence in the security system, that have failed to recognize that contemporary system demands more reliable and timely intelligence than guns and armoured personnel carriers;
- E. In view of the popular claim that unscrupulous extremists from Chad and Niger constitute members of the Boko Haram sect, the Federal Government must strengthen our Immigration service to tighten our borders and make use of the co-operation of the government of Niger, Cameroon and Chad to check border movements.

6. CONCLUSION

From the aforesaid, according to Ernst & Young (cited by Dr. Chukwurah, Daniel C., Eme, Okechukwu and Ogebe, Eunice Nmire, 2015) the country has attracted the most Foreign Direct Investment in sub-Saharan Africa since 2007. But all of that has been affected by the violence and the destruction of the Boko Haram terrorist group [12].

There is no gainsaying that, the persistence of Boko Haram terrorist organization has done greater harm to the state of economy in Nigeria. The states where conflict occurs have had their economies and social life disrupted and dislocated, and that has resulted to the influx of internally displaced persons (IDPs) both in the region and neighbouring countries. It is also a threat to the security of life, property and dis-investments of local and foreign components with continuous capital flight and loss of confidence in the economy [16]. The Nigerian government's strategy against Boko Haram should address the socio-economic and governance issues that impoverish the population.



Finally, the successive months will be critical for the government as a result of the fall of the oil price and the current economic situation of the country. How it responds to the upswing will determine the stability and development of Nigeria. Humanitarian institutions and nations will be looking on from a human rights point of view, but you can also bet that the international investment groups will be keeping a close watch as well.

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