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The Cost and Socio-Economic Implication of terrorism in Nigeria: a Focus on Boko Haram

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Abstract

The World has been entangled in a continuous destruction of lives and properties by terrorist groups such as ISIS, Al-Qeada, Boko-Haram etc. Their activities have impinged on socioeconomic and political development of countries affected. The current surged of Boko-Haram activities in Nigeria has caused untold hardship, claimed lives of combatants and noncombatants citizens, crippled economic activities, and properties worth billions of naira destroyed. The paper examines the cost and socio-economic implication of terrorist activities of Boko-Haram sect in Nigeria. The paper relied on secondary sources of data collection. Data collected was analysized using descriptive statistical method and content analysis. The paper is anchored on conflict theory as theoretical framework of analysis. The paper argues that Boko Haram is driven by an internal struggle within the Muslim leadership in northern Nigeria. It activities are consequence of power marginalization and exclusion, and their self-declared goal of establishing a sharia state as an attempt to alter the power structure. The paper reveals that Nigeria has lost billions of naira, manpower both young and old, increase number of IDP camps, increased numbers impaired soldiers and high rate of poverty. The paper further shows that, economic activities in Nigeria have been crippled thereby are reducing the number of foreign and local investors in the region and Nigeria in general. It also shows that monies might for development of the nation has been channeled in procurement of weapons to fight the terrorist group. The paper conclude that failure to address the socioeconomic issues prevalent in those states where the activities are prevalent will undermine the effect of other counterterrorism policies adopted in Nigeria. The paper therefore, recommends that, there should be joint military efforts by the neighbouring countries to flush out boko-haram members.

Key Words: Boko-Haram, Displacement, Terrorism, Economy, Nigeria

Introduction

Africa is a region blessed and rich in human and natural resources. The region accounts largely for the least developed countries in the world. Social and economic conditions in many African countries are quite deplorable. Widespread poverty, youth restiveness and unemployment, high levels of illiteracy are some features characterising many African states. The region has been home to interstate wars, tribal and communal wars, armed insurrection and the current trend of rising terrorist groups across the region. Africa is home to some of the deadliest terrorist groups, such as the Boko Haram group in Nigeria that has been terrorizing the Lake Chad region; al-Shabaab in East Africa with its terrorist attacks beyond the shores of Somalia; to AQIM and other terrorist groups in the Sahel region that pervades the land of Algeria, Mali and Mauritania.



Nigeria has been on the headlines following the activities of Boko Haram. Prior to the emergence of Boko Haram, the Nigerian state had to struggle with the activities of Nigeria Delta militants. The two groups are largely a product of Nigeria's failure in governance which has resulted in youth joblessness, rising poverty levels and widening of the gap between the rich and the poor. Boko Haram is seen as a product of large scale socio-economic and religious insecurity, its ideology perfectly fit into historical narratives and modern grievances (Forest, 2012). Religious manipulation, manifest poverty, and political discontent are factors that breed terrorism seen as the struggle between the oppressor and the oppressed (Ajayi, 2012).

Terrorism as a concept has continued to generate mixed and conflicting interpretations. Efforts to discern its root causes have proved inconclusive. Terrorism can be founded on the interplay of a number of factors such as lack of economic outlook, relative deprivation, political repression and a failed state system. The most striking conclusion is that these factors alone may not necessarily lead to terrorism, but may require a unifying idea and an appropriate mechanism to channel these into an enviable force that will unleash terror against a perceived enemy (Mair, 2003). The link between terrorism and economic conditions should not be underestimated. The emergence of terrorist activity cannot be solely explained by political and demographic factors, but partly explained by social and economic conditions. A causal link between economic conditions and the opportunity costs of terrorism can provide an explanation of violent activities of terrorist groups on their environment (Freytag, Kruger, Meierrieks and Schneider 2011).

The Boko Haram has created widespread tension across Northern Nigeria and between various ethnic communities, interrupted commercial activities, frightens investors and generated concerns among Nigerians' northern neighbours. This unprecedented state of terrorism by the Boko Haram sect in Nigeria has ruined the tranquility of the northern atmosphere and the high rate of insecurity pervading northern region has cause for serious concern to well meaning Nigerians.

Statement of Problem

Nigeria has lost unquantifiable properties and human lives since terrorism encapsulated the North-East part of Nigeria. Boko Haram sect operating in Northern part of Nigeria has caused untold hardship on the citizens and Nigeria government has lost so much resources. This deadly terrorist group has perpetuated heinous mayhem that have crippled and continuous to dwindling Nigeria's economy. Most businesses in the region have been shut down and investors have relocated their businesses away from Nigeria which has negative impact on the economy. Dues this facts, unemployment and poverty are on the increase in North East Nigeria as so many people have lost their jobs. There is increase in death rate both combatants and non-combatants Nigeria. Also, so many people have become refugees in their home land. Hence, the situation has increased government spending in providing temporary sites for victims. Government has channeled most material and non-material resources in attempt to control the activities of Boko-Haram thereby neglecting social services for other regions. Based on this, the study is set out to examine cost and socio-economic implication of terrorism in Nigeria laying emphasis on Boko-Haram.



Literature Review Conceptual Framework

Terrorism

Terrorism is a complex issue that has been studied and debated for several decades. In fact, there are dozens of competing definitions of the term, not only among scholars but among policymakers and government agencies as well. But one thing holds constant terrorist attacks do not occur in a vacuum, but are instead a product of complex interactions between individuals, organizations, and environments. Further, there are many different kinds of terrorism, defined primarily by ideological orientations like ethno-nationalism, left-wing, religious, and so forth. And just like there are many different kinds of terrorism, there are many different kinds of contexts in which terrorism occurs (Forest, 2012).

Terrorism is increasingly understood as a political act meant to inflict dramatic and deadly injury on civilians and to create an atmosphere of acute fear and despair (generally for a political or ideological, whether secular or religious, purpose), but the term is notoriously difficult to define. The use of violence to create fear, often through the targeting of third parties and with the elements of surprise and the undermining of very personal security, is a tool used by a variety of historical and contemporary actors (Large, 2005) cited in Awodola, B. & Oboshi, A. (2015). Terrorism is a term used to describe violence or other harmful acts. Laqueur in 1999 counted over 100 definitions of terrorism and concludes that the only characteristics generally agreed upon are that terrorism involves, violence and the threat of violence (Laqueur, 2003 cited in Eke, 2013).

The etymology of terrorism is derived from Latin words "terrere" which means "frighten". Terrorism is a special crime associated with violent, victimization, threatening, frightening, and disruption of socio-political atmosphere in a particular society. It is an act of bombing, killing, kidnapping, maiming and destruction thereby creating socio-political tension, extreme fear, and destabilizing existing government or political opposition. It implies deadly attack on government agency and functionary, international organization, military and civilian in order to gain international recognition. Terrorism is the use of violence and intimidation to achieve political ends. Terrorists want to change the way governments and politicians behave. They do not do this by voting or by trying to convince people of their arguments. They do it by frightening people into behaving the way the terrorists want (BBC, Monday July 11 2005). Kydd & Walter (2006) cited in Atere & Alao (2012) define terrorism as actions focusing on harming some people in order to create fear in others by targeting civilians and facilities or system on which civilians rely.

Terrorism may be viewed as a method of violence in which civilians are targeted with the objective of forcing a perceived enemy into submission by creating fear, demoralization and causing political friction in the population under attack (Schmid & Jongman, 2005) cited in Awodola, B. & Oboshi, A. (2015). In most cases, their actions do lead to the loss of innocent lives. Just as non-state actors and rogues states are known to commit terrorism at home and abroad, democratic countries also do the same in order to achieve political, religious, or other objectives (The Punch Newspaper, May 23, 2012).



Terrorism, in the most widely accepted contemporary usage of the term, is fundamentally and inherently political. It is also ineluctably about power: the pursuit of power, the acquisition of power, and the use of power to achieve political change. Terrorism is thus violence or, equally important, the threat of violence used and directed in pursuit of, or in service of, a political aim (Hoffman, 1998) cited in Awodola, B. & Oboshi, A. (2015). As a form of unconventional warfare, terrorism is sometimes used when attempting to force socio-political change by convincing a government or population to agree to demands to avoid future harm or fear of harm, destabilization of existing government, motivating a discontented population to join a mutiny, escalating a conflict in the hope of upsetting the status quo, expressing an injustice, or drawing attention to a cause.

The United States Federal Bureau of Investigation (FBI) defined terrorism as involvement of violent acts or acts dangerous to human life that violate federal or state law; appear to be intended to intimidate or coerce a civilian population; to influence the policy of a government by intimidation or coercion; or to affect the conduct of a government by mass destruction, assassination, or kidnapping. The United States Department of Defense defines terrorism as "the calculated use of unlawful violence or threat of unlawful violence to inculcate fear; intended to coerce or to intimidate Governments or Societies in the pursuit of goals that are generally political, religious, or ideological". Within this definition, there are three key elements- violence, fear, and intimidation-and each element produces terror in its victims Awodola, B. & Oboshi, A. (2015).

According to Kegley (2011), political terrorism is the deliberate use or threats of violence against noncombatants, calculated to instill fear in an audience beyond the immediate victims. He says that because perpetrators of terrorism often strike symbolic targets in a horrific manner, the psychological impact of an attack can exceed the physical damage. He concluded that terrorism is a mixture of drama and dread. Despite the fact that terrorism could not be said to be a senseless violence, it is rather a premeditated political cum social strategy that threaten people with a coming danger that seem ubiquitous, unavoidable and sometimes unpreventable (Kegley, 2011 cited in Raji, 2013).

The U.S. Department of State defines "Terrorism" as "premeditated politically-motivated violence perpetrated against non-combatant targets by sub-national groups or clandestine agents, usually intended to influence an audience (Zumve, Ingyoroko and Akuva, 2013). Terrorism is a failure of political process that begins with in-equalities, corruption and injustice in a given political system, and moves from a frustrated attempt at reform that breed fear and anger, to political confrontation and conspicuously erupted into violence. This can be exploited to rationalize the use of any form of violence against any target. It seems that solutions to terrorism could be found at any stage of the evolving, or deteriorating political and social processes (Dempsey 2006 cited in Isyaku, 2013).

For this paper, political aspect of terrorism shall be considered. In terms of political terrorism, Shultz & Sloan (1980) cited in Oviasogie (2013) defined it as the threat and/or use of extra normal form of political violence, in varying degrees, with the objective of achieving certain political goals or objectives. This is to influence the behaviour and attitude of certain groups. It has basically political motives. That is why, Cline and Alexander (1987)) cited in Oviasogie



(2013) defined terrorism as a deliberate employment of violence or the use of violence by sovereign states as well as some national groups, assisted by sovereign states in order to attain strategic and political objectives through the violation of law.

Economy

Economy (from Greek οίκος – "household" and νέμομαι – "manage") is an area of the production, distribution, or trade, and consumption of goods and services by different agents. Understood in its broadest sense, 'The economy is defined as a social domain that emphasize the practices, discourses, and material expressions associated with the production, use, and management of resources (Wikipedia, 2019). Economic agents can be individuals, businesses, organizations, or governments. Economic transactions occur when two parties agree to the value or price of the transacted good or service, commonly expressed in a certain currency. However, monetary transactions only account for a small part of the economic domain.

Economy is regarded as the wealth and resources of a country or region especially in terms of the population and consumption of goods and services. Also economy is an entire network of producers, distributors, and consumers of goods and services in a local, regional or national community example Nigeria's economy.

Economic activity is spurred by production which uses natural resources, labour, and capital. It has changed over time due to technology (automation, accelerator of process, reduction of cost functions), innovation (new products, services, processes, expanding markets, diversification of markets, niche markets, increases revenue functions) such as, that which produces intellectual property and changes in industrial relations (for example, child labor being replaced in some parts of the world with universal access to education).

A given economy is the result of a set of processes that involves its culture, values, education, technological evolution, history, social organization, political structure and legal systems, as well as its geography, natural resource endowment, and ecology, as main factors. These factors give context, content, and set the conditions and parameters in which an economy functions. In other words, the economic domain is a social domain of human practices and transactions. It does not stand alone (Wikipedia, 2019).

Over the years, since the inception of the menace of Boko Haram, the economy of Nigeria especially in the North has been devastated. According to the Borno State commissioner for information, Mr., Inuwa Bwala, it will take the state 20 years to recover from the current predicament it has found itself. According to the commissioner, it is only natural that when a society have such a situation as, Borno State, it will affect the economic fortunes especially where people go out to do business under the atmosphere of fear. So there is no doubt that the crisis has taken its toll on economy of the state; it will take it a very long time, not less than 20 years to recover and get to the position where they were before the crisis stated in (This day 2012). The year 2011 shows that Boko Haram catastrophic terrorism has continued to pose a clear threat to the Nigerian economic sector.

According to Olwaseun Bamidele (2012), Department of liberal Art and Social Science Faith Academy Cannan land Ota, Nigeria, the Nigerian economy is critically dependent on foreign



investment and natural resources. Renewable natural resources exploration is agriculture and foreign investment sectors contribute more to the gross domestic product (GDP) of many Northern states economy than manufacturing. Foreign investment is the fastest growing sector in many of these states and this is based on the encouragement given to it. In addition to the significant contributions to natural economics, foreign investments sustain rural livelihood through the provision of a wide range of products and services. The Maiduguri Monday market said to be the biggest market in the city is reported to have been seriously affected as hundreds of shop owners especially southerners are said to have closed their business and left the troubled city. About half of the 10,000 shops and stalls in the market were said to have been abandoned by traders who have fled the city.

For this reason, Madlion (2012:5) submitted that; the business environment in the north is becoming worst and therefore, called on the authorities to do something on the worsening security situation as business authorizes in northern Nigeria today have gone to almost zero percentage on account of insecurity. Okereocha (2015) equally maintain that the activities of Boko Haram have affected the manufacturing sector. From billions of dollars in financial losses by manufacturers to monumental decline in Foreign Direct Investment (FDI) and job losses, and that the economy of Borno state is left gasping for breath. He further stated that, between November, 2014 and April 2015, a period of six months, Lafarge Africa, one of manufacturing companies based in Borno State Nigeria incurred financial losses of N2.5 billion as a result of the Boko Haram insurgency. The company which recently merged with Switzerland-based Holcim to create the most advanced building materials group, incurred the heavy losses because it could not meet its sales projections due to the insecurity in the region.

Boko Haram in Nigeria

There has been a controversy as to the exact date Boko Haram emerged. Nonetheless, there is a common consensus that Boko Haram was founded in 2002 by a charismatic 32-year old Ustaz Mohammed Yusuf at Markas mosque in Markas Abba Ganaram road in Maiduguri. The ideology of the sect is anchored on a rejection of western education and influence which they assume is corrupting the way Islam is being practiced. According to Abdul Qaqa, a leading member of the sect "we had a grand plan to Islamize Nigeria starting with the north; we felt that a lot of Muslims are not practicing the religion faithfully as they should" (Ikenna Emewu, 2012).

However, James Forest (2012) point out that the membership of the sect is not limited to the students of the Quranic School that is established by Mohammed Yusuf, but it includes students who dropped out of the University of Maiduguri as well as disaffected young people and unemployed graduates with deep seated grudges over the socio-economic and political conditions of the country including poor governance and corruption. Madike Isioma (2011) reported that before the demise of Yusuf Mohammed, he had over 500,000 followers. The death of Mohammed Yusuf which many attributed to extra judicial killing had several implications for the different shades of opinion. Firstly, his death decentralized the leadership of the sect into different factions. The circumstances of his death led to different views of its members and consequently a more radical approach including the use of violence and terror to prosecute their cause. In the same manner, his death encouraged greater sympathy from members of the public to its ideology. It was this sympathy, which had earlier shrouded its identity that gave rise to the



fear of followers not to divulge any information about the sect, thus complicating the security situation that has affected every sector of society in Maiduguri metropolis.

Following the death of its leader in 2009, the group became increasingly violent. In 2010, the organisation's new leader declared jihad against the Nigerian government and the United States. The war between Boko Haram and Nigerian forces has killed more than 20,000 people and left more than 2.6 million displaced in the seven years since the organisation began using terrorist tactics (Global Index, 2015). In 2014, Boko Haram changed its affiliation from al-Qa'ida to ISIL. Boko Haram was the deadliest terrorist group in 2014. However, in subsequent years Boko Haram has suffered significant defeats as a result of efforts by the Multinational Joint Task Force, which includes forces from Benin, Cameroon, Chad, Niger and Nigeria. The taskforce also receives support from the United States. In 2016, Boko Haram committed 192 attacks that resulted in 1,079 deaths, which is a decline from the peak of 454 attacks with 6,668 deaths in 2014 (Global Index, 2015).

However, the group remains the most active terrorist organisation in Nigeria and until 2017 was the deadliest terror group in sub-Saharan Africa. Recently, internal tensions have led to forming multiple Boko Haram splinter groups. The largest splinter group is the Islamic State West African Province (ISWAP), which has claimed responsibility for a number of brutal attacks on midwives and aid workers in 2018. Both Boko Haram and ISWAP have sworn allegiance to the Islamic State (Global Index, 2018). Nigeria's counterterrorism response in combating Boko Haram has been interrupted by the emergence of other extremist groups, most notably the Fulani herder extremists that have attacked civilians and military forces in the country.

Four deadliest terrorist groups in 2017 (1998–2017)

ISIL, The Taliban, and Boko Haram have all seen falls in terrorist activity over the past two years.

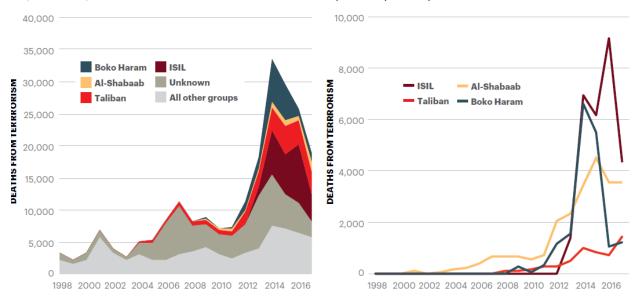


Figure 1: shows four deadliest terrorist groups in World in which Boko Haram is one, having a strong foot in Nigeria

Source: Global Terrorism Index, 2018



Methodology

The area of study is Nigeria where activities of Boko Haram have cause untold hardship on citizens and government. The study is to examine the cost and socio-economic implication of Boko Haram activities in Nigeria. Data for this research were generated using the secondary data – Books, Journals, Newspaper articles, Magazines, Seminar and Conference papers and internet materials. Data was analyzed using descriptive statistical method and content analysis method..

Theoretical Framework of Analysis

The study adopts conflict theory as theoretical frame work of analysis due to peculiarity of issues at hand. The conflict as a concept has been well highlighted by Dhrendorf (1976) cited in Salama Sajo (2018) who saw it as a basic factor underlying societal dynamics. Conflict is believed to represent a condition of disharmony within an interaction process usually as a result of a clash of interests between or among the parties involved in some form of relationship (Imobighe, 2003) cited in Salama Sajo (2018). But Nnoli (2003), refers to conflict as contradictions arising from perceptions, behaviours, phenomena and tendencies, while Mialli (1992), cited in Salama Sajo (2018) believed that conflict emerges where a clear contradiction exists or is perceived to exist among the participants who view the outcome as extremely important. It can be deduced from the above contributions that conflict is a behavioural pattern involving two or more individual ties, which can be inter-personal, inter-group, interorganization and inter-state.

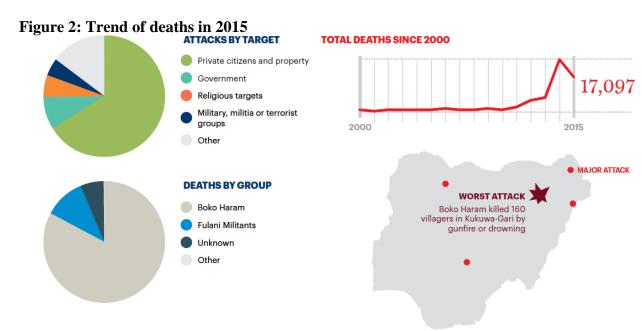
The economic disposition in Nigeria created dissatisfied sect that vowed to change the existing political structure. The conflict lies on rejection of western education and declaration of sharia law in some northern states in Nigeria. The post colonial system instituted endemic poverty through the political-cum-economic structure established in Nigeria. This system encourages class formation among the elites, corruption in government and poverty in country. Thus, Boko Haram is driven by an internal struggle within the Muslim leadership in northern Nigeria. It activities are consequence of power marginalization and exclusion, and their self-declared goal of establishing a sharia state as an attempt to alter the power structure. The group is on road-map to capture Borno state due to historical antecedent and its relevance in northern Nigeria and Muslim community.

Boko Haram Attacks and Fatalities 2015-2018

Nigeria experienced a 34 per cent decline in the number of deaths from terrorism in 2015. This was largely due to a decline in the number of attacks by Boko Haram in Nigeria. A coalition of the Nigerian military and forces from neighbouring countries Cameroon, Chad and Niger forced Boko Haram out of areas in northeast Nigeria in 2015, driving the 33 per cent decline in deaths. In 2015 Boko Haram killed 4,095 people in terrorist attacks in Nigeria, down from 6,136 deaths in 2014.

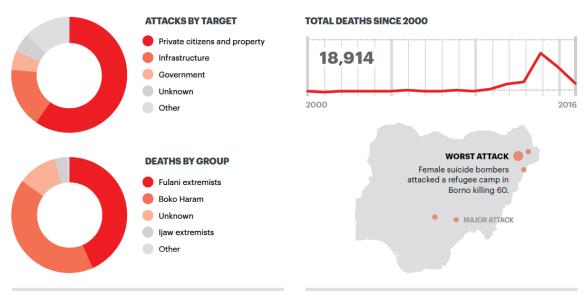
However, there was an increase in attacks by Boko Haram in Cameroon, Chad and Niger, which resulted in 1,382 deaths, a 163 per cent increase from the previous year. Despite the decrease in deaths from terrorism, Nigeria still experienced a high rate of violent deaths. In addition to terrorism victims, there were at least 4,422 battle-related deaths from the conflict between Boko Haram and the Nigerian Government in 2015, down from 8,233 in 2014.





Source: Global Terrorism Index,

Figure 3;- shows trend of deaths in 2016

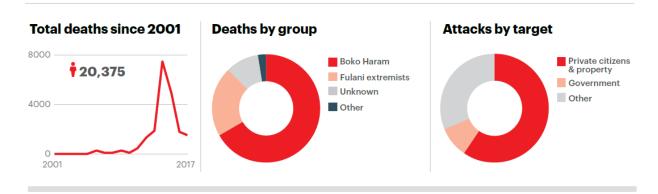


Source: Global Terrorism Index,

Boko Haram killed over 12,000 people in Nigeria through terrorist attacks committed between 2013 and 2015. However it was responsible for only 762 deaths in 2016; which is a decline of 81 per cent from the previous year. This decline reflects the success of the Multinational Joint Task Force comprising Benin, Cameroon, Chad, Niger and Nigeria as well as fractures within the group.



Figure 4:- Trend of death in 2017



Source: Global Terrorism Index 2018

Total deaths from terrorism in Nigeria fell to 1,532 in 2017, a decrease of 16 per cent from the prior year. The decline follows the 63 per cent drop in deaths in Nigeria in the preceding year, and a 34 per cent drop in 2015. This highlights the effectiveness of the counter-insurgency operations undertaken in Nigeria and its neighbours, Cameroon, Niger and Chad.

Economic Cost of Boko Haram Activities in Borno State Nigeria

Despite the mineral and human resource endowed on Nigeria by nature, it remains one of the world's poorest countries with more than 70% (140 million Nigerians) living on less than USD 1.25 per day10 and ranking 152 of 187 in the Human Development Index (HDI). The level of economic disruption is relatively large and long-lasting for small and less diversified economy like Nigeria. In contrast, advanced and diversified economies are economically more resilient and have shorter recovery periods from incidents of terrorism. These effects are mainly explained by the ability of the diversified economies to reallocate resources, such as labour and capital, from the terrorism-affected sectors. Also, advanced and more peaceful countries have more resources and better institutions to avert terrorism and conflict related issues (Global Terrorism Index 2018).

The ongoing Boko Haram attacks in Borno state Nigeria, has aggravated the weak economic development of the region. Though, the region was experiencing high levels of poverty prior to the conflict as well as underdevelopment, population growth, environmental degradation, and marginalization, the conflict has now exacerbated these conditions, including extensive damage to socio economic infrastructure. North eastern Nigeria alone has an estimated infrastructure damage of US\$ 9.2 billion and accumulated output losses of US\$ 8.3 billion. Due to the persistence attacks in Borno State, security measures put in place (such as closing of border), have severely and negatively impacted people's livelihoods, thereby affecting economic activities such as agriculture, fishing, animal husbandry, and transnational trade. This economic disruption has equally left millions of business-men in situations of acute economic difficulties (Awodola, B. & Oboshi, A. (2015). For instance, the economy of the Borno State is largely agrarian, where 80% of the people depend on agriculture for their livelihood, growing both food



and cash crops (Tourism and Investment in Borno State, 2011), but due to Boko Haram attacks, this particular sector of Nigeria economy has been affected drastically. According to Faiza Mohammed cited in Eme, O.I. & Ibietan, J. (2012), a lecturer at the University of Maiduguri described the threats to agricultural sector as "disturbing". He argued that the industry is experiencing low productivity as many farmers have abandoned their farms for fear of attack at their farm lands.

In economic terms, the insurrection effect is a systemic distortion of existing economic patterns and structure in Borno State as well as the entire northern region. For a cause that is neither war nor natural disaster, the nation, according to a recent report by the Human Rights Watch (HRW), lost more than 1,532 of its human capital in 2017. Although the number of deaths from terrorism is now at its lowest level since 2013, it is still a major global threat. Deaths remain substantially higher than a decade ago, and are still nearly three times as high as the number recorded in 2001. The chart below shows the composition of deaths from terrorism by country for 2016 and 2017 in which there is drastic reduction by 27% from 2016-2017 in Nigeria.

Total deaths since 2001 Deaths by group Attacks by target 8000 Private citizens Boko Haram † 20,375 & property Fulani extremists Government Unknown Other 4000 Other 2001 2017

Figure 5: Boko Haram Attacks on Target 2017

Source: Global Terrorism Index, 2018

In terms of finance and investment, though direct and indirect loses are unquantifiable, a World Investment Report (WIR) of the United Nations Conference on Trade and Development (UNCTAD), estimated that the domestic economy lost a whopping N1.33 trillion foreign direct investment (FDI), owing to the activities of terrorists going by the name 'Boko Haram' (Okereocha, 2012). Boko Haram, bad signal to foreign investors. According to Okereke (2012), no organisation or individual can thrive in an atmosphere of uncertainty and wanton killings. "Every business, big and small, even individuals need some level of stability certainty to plan and execute their programmes. Many companies in the north generally and the North-East in particular have closed shops. He stated that; the manufacturing sector seems to be the hardest hit because electricity supply, telecommunication services and other amenities have been crippled in those areas.



The activities of Boko Haram have drastically affected Foreign Direct Investment in North east as well as Nigeria. From 2009 when Boko Haram forced their way into national consciousness, FDI has been dropping sharply, sending shock waves down the spine of the authorities. Okereke said the consequence of this is that economic activities in those areas are being crippled daily thereby increasing unemployment and poverty level in the country. According to Okekere (2012), from manufacturing/production to retailing, hospitality to tourism, real estate to agriculture; virtually every business activity and human endeavour is at the receiving end of this terrorism.

Boko Haram's activity in Kano, Kaduna, Bornu, Yobe and Bauchi is gradually changing the economic structure of the whole of northern Nigeria. Our research indicates that if the violence persists, development in that region will be tampered and the gap between the North and other regions will widen further. The evidence and fast changing indices (in form of changing migration patterns, cost of insurance in the North, mass repatriation of funds, dearth in skilled labour etc) speaks volumes. According to Gaibulloev and Sandler (2011) succinctly articulate the effect of terrorism on economy. He stated that, terrorism diverts foreign direct investment by creating uncertainties in the minds of investors who prefer to invest in a climate that is favourable and safe to do business. Similarly, terrorism raises the costs associated with doing business in the forms of extra security measures and higher insurance premiums with far reaching consequences on the overall profit, growth and productivity of a company. Also, terrorism dampens growth by destroying or degrading social overhead capital which is important in the day to day functioning of the state. Communication and transportation infrastructure affected by terrorist attacks will have dire economic consequences on a nation. Industries which are foreign inclined like tourism and airline industry are greatly affected by terrorist attacks. This is graver if the sector is a vital income generator for a country. Finally, a country that frequently receives foreign assistance, terrorism scare aids owing to stability concerns.

Boko Haram activities have also affected government budget. The reconstruction of destroyed government infrastructure and other facilities, the general administration of the internally displaced persons camps affect government budget, as billions of naira are spent. Also, the cost of fighting Boko Haram has gulped a large chunk of the country's budget. It triggered the highest raise in Nigeria's defence spending. For 2015, it went up to about 6 billion dollars, which shows how serious an issue Boko Haram is for the country. For example, 1 billion Dollars was recently approved by President Buhari to purchase military wares and fighter jets in order to fight Boko Haram (Yakubu, Aiguobarueghian & Orobator, 2016). Ever since the activities of the militant group 'Boko Haram' assumed horrendous dimension, the loss of properties with commercial value and forfeited local and foreign investment have drastically affected domestic economic activities in the state. Some experts believe there are no criteria to quantify the loss to the economy. They drew their conviction from the fact that some questions remains unanswered: Does anyone record the numbers of children that have died due to deprivation, after losing parents and guardians? What families have been scattered, and ambitions cut short? In terms of properties, how many estimators and quantity surveyors have visited the scenes of each bomb blast to value the cost of wealth destroyed, abandoned projects and intellectual properties destroyed. As such, some have concluded that any figure that is thrown up from any source may be a scratch on the surface (Eme, O.I. & Ibietan, 2012).



Figure 6: Shows Properties Lost/Destroyed on Boko Haram Attacks



Source: Google, 2017.

However Boko Haram attacks are felt more by the ordinary citizens who are mostly victim whenever the group strikes. Human lives lost and properties destroyed belong to the citizens. It is the individual who suffer from psychological trauma as result of deaths of family member or kidnapped of love one or properties lost and physiological trauma as result of injuries sustained, see the diagram;

14,000 12,000 DEATHS FROM TERRORISM Private citizens & property 10,000 8,000 Other incl. business 6,000 Police 4,000 Military 2,000 Government 0 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015

Figure 7: Shows Target Groups by Boko Haram

Source; Global Terrorism Index (2016)

There were roughly 2,800 fewer private citizens killed in 2015 than in 2014, amounting to a 19 per cent reduction. This is mainly because of the reduced level of activity of Boko Haram in Nigeria. However, the number of deaths was still high at 12,576. The number of attacks did not fall at the same pace as deaths, highlighting that the attacks on private citizens were less lethal.



The percentage of attacks on private citizens fell by four per cent to 43 per cent of attacks in 2015.

Furthermore, apart human lives lost and properties destroyed, there has been large exodus of people in the north east region of Nigeria where Boko Haram activities are prevalent; whose contributions to the economy has left the country more devastating (Eme, O.I. & Ibietan, J. 2012). This is because in analyzing the importance of factors of production, economists are unanimous on an empirical evidence that where all the factors: Land, Labour, Capital are provided in the right proportion, the absence, or inadequacy of the latest factor of production known as entrepreneur (human capital) will render the other factors useless. These, in simple terms, point to the fact that less qualified or bad attitude of managers and other employees could destabilize any production process. Specifically, where there are no humans to man the machines, balance accounts, buy and sell or even give directives, nothing will be done as far as production, market and growth are concerned. The empirical evidence, most analysts said, means that the human capital/entrepreneurship drain is crippling the northern economy and there are concerns that it is being transmitted to the Nigerian macro-economic environment (Eme, O.I. & Ibietan, J. 2012).

There are major businesses that are occupied by non-indigenes in the state before Boko Haram attacks. Some of the businesses include among others are; spare parts businesses, electronic and electrical businesses, Bakery industry, and wood industry. For instance, spare parts businesses are dominated and controlled by eastern people of the country while essential commodities are been dominated by indigenes which are mostly Kanuri by the tribe. But, the recent attacks by Boko-Haram terrorist in the state have distracted the entire business activities in the environment. The major Markets in the state, which popularly called Monday Market and the second largest market called Tashan Baga market both, have been seriously affected as hundreds of shop owners, especially Southerners are said to have closed their businesses and left the troubled city. About half of the 10, 000 shops and stalls in the market were said to have been abandoned by traders who have fled the city (Alechenu, 2013).

Displacement: Social cost of Boko Haram Activities

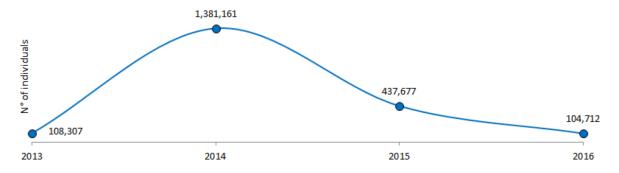
The outbreak of the Boko Haram insurgency in 2009 has steadily become the single greatest cause of displacement in the Lake Chad Basin region, with more than 2.3 million people becoming refugees, internally displaced people (IDPs) or returnees as a result. In Nigeria, the number of IDPs has more than doubled in the span of three years, from 868,000 people identified by the Nigerian Government in the north-eastern regions at the end of 2014 to 1.7 million people by June 2017, according the Displacement Tracking Matrix (DTM) report released by IOM.

The conflict has increasingly spilled into neighbouring countries, with increased infiltration, suicide-bombings, attacks and recruitment by the armed group, prompting population movements from northern Nigeria across borders to Cameroon, Chad and Niger. Growing insecurity in the region has led to an increase in the number of refugees by more than 20 per cent in two years, from 160,000 people registered in June 2015 to more than 207,000 in June 2017. New refugee arrivals are anticipated to continue in the second half of 2017. The vast majority of IDPs and Nigerian refugees have expressed an intention to return to their areas of origin, while



almost all continue to cite significant barriers to return, including insecurity and lack of access to their home areas as well as to food and shelter.

Figure 9: Periods of displacement of individual currently displaced in Nigeria



Source: IOM (International Organization for Migration), 2016

Boko Haram activities have forced people to become refugees in their home-land, seeking asylum in neighboring states or countries. UNHCR (2017e) data from June 2017 estimate 207,227 Nigerian refugees abroad, spread through Niger (51%), Cameroon (45%), and Chad (4%). The humanitarian response to support these refugees and IDPs is coordinated under UNHCR's Regional Refugee Response Plan, which has provided multi-sectoral assistance to over 200,000 refugees in the region over the first quarter of 2017. The effect of the crisis has devastated north eastern Nigeria, continuously aggravating food security and malnutrition levels (UNHCR, 2017). However, funding for humanitarian assistance is far from required levels. By July 2017, US\$ 40.6 million were received accounting for only 23 per cent of all funds required to provide humanitarian assistance (UNHCR, 2017). The area now faces the challenges of many Nigerian refugees returning from neighbouring countries to Borno, Adamawa, and Yobe. Such movement causes overcrowding in already poorly managed urban situations and puts basic services under major strain. Certain urban centres like Maiduguri, the capital of Borno, saw their population double in size from one million to two million people over the extent of the crisis, leading the local government to encourage people to leave the city and return to their places of origin (UNOCHA, 2016).



Figure 10: IDP Camp in Urban Areas



Source: IOM (International Organization for Migration), 2016

UNHCR's Executive Committee (ExCom) budget for the Nigeria Situation in 2017 amounted to \$169.9 million. To address the additional needs of people of concern displaced by the Boko Haram insurgency, UNHCR established an initial supplementary budget for both the Nigeria and Niger requirements amounting \$43.6 million. Additional unforeseen needs in Nigeria have led to a further increase of supplementary budget needs of \$9.5 million. The total revised 2017 requirements for the Nigeria Situation now amount close to \$179.5 million, including support costs, See **Figure 11**

		NIGERIA SITUATION			
OPERATION	ExCom-approved budget excluding the Nigeria Situation	ExCom Budget and subsequent adjustments related to the Nigeria Situation ²	Additional requirements	Total	Total revised requirements
NIGERIA	4,997,397	65,002,604	8,926,047	73,928,651	78,926,048
CAMEROON	55,559,903	38,684,926	0	38,684,926	94,244,829
CHAD	150,517,927*	14,627,881	0	14,627,881	165,145,808
NIGER	34,858,225*	48,532,008	0	48,532,008	83,390,233
REGIONAL AND GLOBAL ACTIVITIES	4,566,364*	216,174	0	216,174	4,782,538
SUBTOTAL	250,499,816	167,063,593	8,926,047	175,989,640	426,489,456
Support costs (7 per cent)		2,857,854	624,823	3,482,677	3,482,677
TOTAL	250,499,816	169,921,447	9,550,870	179,472,317	429,972,133

Source: UNHCR, 2017

Figure 12: IDPs camps in a deplorable situation





Source: IOM (International Organization for Migration), 2016

Public health is another major concern for the IDP population in Nigeria. The Borno State Health Sector (2017) estimates that, in affected regions, there are 6.9 million people in need of health care with main concerns including a spread of hepatitis E and the limited availability of water, sanitation and hygiene (WASH) services. Médecins Sans Frontières (MSF) has already identified a hepatitis E outbreak in part of the Borno State and has scaled up its medical responses. A problem, however, arises from insufficient number of latrines leading to disease outbreaks. Reports show that 279 people share each latrine, when the minimum accepted sanitation standard determines a maximum of 20 people (MSF, 2017).

A new challenge for IDP protection is the upcoming raining season, which will make several areas of the regions unreachable and will strand IDP populations (MSF, 2017). This situation also increases the risk of epidemic outbreaks (Borno State Health Sector, 2017). IOM assessments of the damage caused by rain show that, out of fourty-four camps, eight sustained damages of varying degrees (IOM, 2017). In 98 per cent of IDP sites, all IDPs intended to return to their place of origin, with lack of safety cited as the main reason preventing return (IOM, 2017). Moreover, lack of information often leads to misinformed migration decisions making IDPs vulnerable to multiple displacements. Return migration must be prepared for in a dignified and safe manner (UNOCHA, 2016b).

Also of increasing concern is the continued forceful recruitment of children as twelve years of age for purposes of being children soldiers by Boko Haram civilian vigilante groups (like the Civilian Joint Taskforce) and the Nigerian Security forces. These children have also been forced into supporting military operations in positions of cooks, porters, cleaners, messengers, and guards. Moreover, according to the US Department of State (2017), there were increased reports of governmental involvement in trafficking operations: "Government officials – including military, police, federal, and state officials – were involved in the widespread sexual exploitation of Borno State women and girls displaced by Boko Haram, at times forcing women and girls in IDP camps to provide commercial sex acts in exchange for food" (p. 304). Officials in IDP



camps have also been involved in the sexual exploitation of IDPs. Despite these occurrences, the Nigerian government has taken few steps to eliminate trafficking offences carried out by officials (US Department of State, 2017).

Conclusion and Recommendations

It can be said that the activities of Boko Haram constitute a serious threat to the development of Nigeria. Aside the socioeconomic implications, the human cost is of great concern to everybody in Nigeria. Thousands of Nigerian citizens (including children) have lost their lives and millions displaced due to the persisted attacks from the dreaded Islamic sect called Boko Haram. Nigerians have become refugees in their own homeland, women and girl-child have been sexually abused and torture, properties millions of thousand lost and increased spending by the government in attempt to procure military hardware. As at 2012, the World Investment Report of the United Nations Conference on Trade and Development (UNCTAD) estimated that the domestic economy lost a whopping N1.33 trillion Foreign Directs Investment (FDI), as a result of the activities of the Boko Haram (Okereocha, 2012).

Although, there is a sizeable drop in deaths and terror incidents since 2014 indicate the success of Nigeria's Civilian Join Task Force and international coalitions. Alongside its counter insurgency plan, the Nigerian government also struggles with negotiations and reintegration efforts regarding its long term strategy to deal with Boko Haram and its associates. But, winning the war against the Boko Haram insurgency required more than military action (Johnson-Rokosu and Kelly, 2016), other tactics and strategies are needed. The technical support and military hardware from international donor countries and agencies alone cannot solve the menace, if there is sincerity of purpose from the government in the region and international donors, the menace may be thing of the past soon.

However, Nigeria government should rather apply "stick and carrot" method in dealing with the Boko Haram insurgency. Brutal force as conflict management strategy cannot work, rather government in the region should work more on strengthening the governance system, free electoral system, focus on programme that can bring development into the area in partnership with international donor countries and agencies, reduce poverty, illiteracy, unemployment and corruption at al level.

Recommendations

- 1. The study therefore suggests that effort should be made to enlighten the citizen in the Lake Chad basin of the evil of providing cover for the terrorists. The government should endeavour to provide more schools in order to re-orient the minds of the citizens.
- 2. Government should provide employment opportunities to arrest the unemployment realities that contributed significantly to Boko Haram recruitment in Borno State.
- 3. Nigerian government should embark on rebuilding villages, town, schools and settlement destroyed due to Boko Haram attacks as well as re-settlement of citizens.



- 4. Boko Haram has sponsors; the government of Nigeria should go after those financing the operations of the sect.
- 5. The government should open a dialogue channel in order to know what the grievances of the sect are.
- 6. Reports from the battlefield indicate that security personnel are not being provided with modern fighting equipment. The government should endeavor to supply the army with sophisticated military equipment.
- 7. There should be tripartite agreement with the countries that have close border with Nigeria in order to harmoniously work together to end Boko Haram attack within the Sahel region of Africa

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