



Impact of Insecurity on Sustainable Economic Growth of Nigeria, 1990- 2021

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Research Purpose: The study investigated the impact of insecurity on sustainable economic growth of Nigeria, 1990-2021. Proxies for insecurity which serve as independent variables are corruption perception index, terrorism risk index, unemployment rate and kidnapping rate while the proxy for economic growth which serves as the dependent variable is Real Gross Domestic Product.

Design/ Methodology/Approach: This study adopted the ex-post-factor research design. Bound test of Auto Regressive Distributed Lag (ARDL) model was used for econometric estimation.

Findings: Result indicated that corruption perception index positively and significantly affected real Gross Domestic Product in Nigeria within the period of the study. Terrorism risk index negatively and non-significantly affected real Gross domestic product in Nigeria within the period of the study, there is a unidirectional causality running from unemployment rate and real gross domestic product in Nigeria within the period of the study. Kidnapping rate has negative and no significant impact on real gross domestic product of Nigeria

Implication: Nigerian nation needs foreign intervention since terrorists have taken over forests across the nation. Nigeria must as a matter of urgency should develop visionary leadership: That is to say, the mantle of Leadership should be limited to leaders who can convey to their people the idea of a common citizenship as an ultimate factor among all Nigerians, regardless of tribe, gender, religion, economic and social status that focuses on facts and actions that will convincingly and positively affect all citizens of our nation. Nigerian government should ensure that justice and equity a cognate principle in all facets of national life must be enthroned. Government should immediately address the root causes of insecurity such as unemployment, terrorism, corruption and kidnapping through good governance. The leadership of Nigeria has compromised security of life and property.

Originality/ Value added: Nigerian government is encouraged to develop the political will and holistic measures to solve the problems of insecurity now they have known the root causes. The solutions must be such that should be long lasting and all-encompassing to avoid a recurrence

Keywords: Corruption Perception Index; Kidnapping Rate; Terrorism Risk Index

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ABSTRACT

Introduction

The need for security was the basis of the social contract between the citizens and the state, on that premise, security is a fundamental right and privilege for every citizen in whom people willingly submit their rights and privileges to the government who takes charge for the citizen's survival. Based on this, security embodies the mechanism put in place to avoid, prevent, reduce, or resolve violent conflicts, and threats emanating from other states, non-state actors, or structural sociopolitical and economic conditions (Aina, 2020). Security is very important for protection peace and sustainable development. Insecurity according to Aina (2022) means no peace and security; whether historical, religious, and ethnic.

The level of insecurity in Nigeria is very deplorable as lives are lost on daily basis, businesses are dead, settlements are displaced, and investments are constrained, while people live in fear (Aghaoulor, 2021). The problems ranging from kidnapping, armed banditry, killings, abductions and of course terrorist attacks and more constitute of the major form of insecurity we are facing today as Nigerians. Terrorists have taken over forests across the nation, Nigeria.

Statement of the problem

Bad leadership, have contributed much to escalation of social vices in the nation. Insecurity of lives and properties are issues of discussion by an average Nigerian. The Boko Haram insurgency in the Northern Nigeria has created many orphans, widows and through their senseless killings.

According to Moronfolu (2022), insecurity in Nigeria is connected with the increasing ethnic hate and influx of Fulani citizens from other West African nations into Nigeria. This is due to the porous nature of Nigerian boarder. This has made Nigeria to witness growing population of bad people into the country and that has aggravated the scale and propensity of insecurity and widened its scope in many fronts. The continued state of insecurity has threatened the very fabric of national unity and created fear, disquiet and anxiety, which has also dealt a deadly blow to industrial development and economic growth of Nigeria. The badly needed infrastructure has been destroyed and is bound to taken the country many years backwards.

The state of insecurity in the country has been sustained by a down ward trend of the economy, unviable hospital facilities and health services, lack of good pipe borne water, transportation and bad roads, fuel problems, unemployment and a growing sense of neglect on the part of government and its representatives. They have not been fair to the people, thus pushing many citizens into criminal activities including violent crimes to make a living and to take out their anger on a passive society.

Kidnapping, the new booming business in the nation has arrested the interest of many – as top and average individuals are being kidnapped for ransom. Lately, students suffer the most of this ordeal. Schools are now deadly places for students in Katsina, Kaduna, Zamfara and many other Northern states. The latest was the attack on Christian churches in OWO Ondo state and Kaduna states where innocent worshipers were massacred. In tensed situations, human being tends to result to fights. Different sects now sprout from every corner of the country in means to protect themselves and their loved ones. Illegal arms are now domestic commodities and Nigeria is like a time bomb ready to explode.

The havoc being wreaked by rebellious individuals is deadly, across everywhere in the country and Nigeria is now in a near-lawlessness state. The problem which this study tends to investigate was the impacts of insecurity on sustainable economic growth of Nigeria, 1990-2021

Objectives of the study

The broad objective of the study was to investigate the impact of insecurity on sustainable economic growth of Nigeria. The study specifically sought to;

- I. Examine the effect of Corruption Perception Index (CPI) on real gross domestic product of Nigeria

- II. Determine the impact of Terrorism Risk Index (TRI) on real gross domestic product of Nigeria
- III. Investigate the causal relationship between Unemployment Rate (UER) and Real Gross Domestic Product of Nigeria.
- IV. Measure the impact of kidnapping Rate (KIR) on real gross domestic product of Nigeria

Statement of Hypotheses

- I. Corruption Perception Index has no positive and significant effect on real gross domestic product of Nigeria
- II. Terrorism Risk Index has no positive and significant impact on real gross domestic product of Nigeria
- III. Unemployment Rate has no causal relationship with real gross domestic product of Nigeria
- IV. Kidnapping Rate has no positive and significant impact on real gross domestic product of Nigeria

Review of Related Literature

Security: This is described as measures taken to guard against espionage or sabotage, crime, attack or escape (Merriam-Webster, 2022). Security is an all-encompassing condition which suggests that a territory must be secured by a network of armed forces. People must not only be secured from external attacks but also from devastating consequences of internal problems such as unemployment, hunger, starvation, diseases, ignorance, homelessness, environmental degradation and pollution cum socioeconomic injustices (Omine, 2018)

Insecurity: The concept of insecurity has different meanings such as: absence of safety; danger; hazard; uncertainty; lack of protection, and lack of safety. According to Beland (2005) insecurity is a state of fear or anxiety due to absence or lack of protection. Achumba, Ighomereho & Akpan-Robaro, (2013) defines insecurity from two perspectives. One, insecurity is the state of being open or subject to danger or threat of danger, where danger is the condition of being susceptible to harm or injury. Two, insecurity is the state of being exposed to risk or anxiety, where anxiety is a vague unpleasant emotion that is experienced in anticipation of some misfortune (Olusegun, 2016)

Moronfolu (2022) opined that some of the major causes of insecurity in Nigeria can be ascribed to;

- I. Pervasive Material Inequalities and Unfairness
- II. Ethno-Religious Conflicts
- III. Conflict of Perceptions between the Public and government
- IV. Weak Security System and inability of government to provide adequate weapons to security forces that can match the weapons of dissidents or social miscreants.
- V. Loss of Socio-cultural and communal value system
- VI. Porous Borders
- VII. Rural/Urban Drift
- VIII. Unemployment/Poverty
- IX. Terrorism
- X. Frequent strike by ASUU and other institutions resulting in students resorting to crime and other vices due to idleness

Terrorism

Terrorism involves the use of threat of violence and seeks to create fear, not just within the direct victims but among a wide audience (Britannica, 2020). Perhaps the greatest and predominant security challenge in Nigeria today is terrorism or terrorism related. The Boko Haram sect also seek an enthronement of Islamic (Sharia) government in Nigeria hence their attack on government institutions, such as the police, and military through armed attacks, suicide bombing and so on (Omine, 2018)

Unemployment Rate

Unemployment is a term referring to individuals who are employable and actively seeking a job but is unable to find job (<https://corporatefinanceinstitute.com>, 2020). A high level of unemployment is blamed for Nigeria's rising insecurity. Though the official unemployment rate is 23.9 percent, some economists say it could be as high as 50 percent of the workforce. The high unemployment rate is fuelling poverty level which is as high as 60 percent in some states in the North, data from the National Bureau of Statistics (NBS) shows. Unemployment is one socio-security challenge that successive governments over the years have identified and acknowledged. In Nigeria, on many occasions many youths have been used as thugs during political campaigns and in time of crisis (Nwokwu and Ogayi, 2021)

Kidnapping

Kidnapping as a social problem is the act of illegally taking somebody away and keeping him as a prisoner in order to get money or something in return for releasing him (Ilemona, 2018). Kidnapping started initially as part of methods used by Niger Delta militants to attract attention of oil companies and the government to their struggle for resource control. However, with the FG Amnesty Programme in place, Niger Delta militants have abandoned the crime but criminal elements, especially in the South-Eastern part- of the -country, have adopted the kidnapping strategy, believing that kidnapping is a less risky and more lucrative venture than armed robbery (Dare,2011).

In the South-East zone of Nigeria as mentioned before kidnapping was traced to hostilities, conflicts and violence in the Niger Delta region. In the South-East zone, especially in Abia and Imo States, kidnapping activities were mainly targeted at prominent indigenes and residents of these states (Eme, Nwachukwu, Olise, and Nnamdi, 2017). Currently, kidnapping know no bounds in the country.

Corruption

Corruption is dishonest behavior by those in positions of power, such as managers or government officials. Corruption can include giving or accepting bribes or inappropriate gifts, double-dealing, under-the-table transactions, manipulating elections, diverting funds, laundering money, and defrauding investors (<https://www.investopedia.com/terms/c/corruption.asp>,2022). Corruption promotes insecurity and has contributed to government failure and breakdown of institutional infrastructures (Ajibola, 2016). It has added another dimension of violent conflicts which has eroded national values.

Theoretical Framework

This study is anchored on the theory of Fragile State espoused by Sara (2008). The theory is employed to explain phenomena in countries experiencing severe developmental challenges such as institutional capacity, poor governance, political instability, unemployment, poverty and low level of economic development.

To Slater (2012), a leading proponent of the theory, a fragile state is a state that is significantly susceptible to crisis in one or more of its subsystems. He added that a fragile state is vulnerable to internal shocks as well as domestic conflicts.

This theory clearly captures how extreme poverty, low level of human and social development that challenge a state are linked to weak institutional capacity and poor governance which trigger and sustain internal conflicts. According to Ikyase (2013), a fragile state lacks the capacity to deliver basic social and infrastructural services, thus compounding the situation of insecurity in the state.

In the same vein, Nwanegbo, Umara & Ikyase (2017), maintained that such state are trapped in vicious cycles of violent conflicts and poverty or suffer from a curse while others face the challenge of not providing basic necessities of life to their citizens such as good, health facilities, good roads, quality education, electricity, portable water supply, etc. Therefore, it could be safely argued that occurrence and re-occurrence of situations of insecurity have among other things been attributed to the failure of the state to co-ordinate itself and meet up with its basic responsibilities of providing for and protecting the citizens.

Empirical Review

Azu, Okobia, Ayodele, Dibie, Okoro (2021) this paper is designed to empirically establish the nexus between insecurity and productivity in Nigeria. It also estimates the effect of insecurity on sustainable growth in Nigeria. Noting that insecurity affect growth with time lag, an Autoregressive Distributed Lag (ARDL) Model is built for the analysis. It is expected that security exacts positive time lag effects on growth, whilst insecurity negates sustainable growth.

Ajibola (2016) The study focused on economic growth amidst insecurity in Nigeria. Efforts were made to explain the impact of security on Economic growth; Time series data were collected from 1981 to 2014 on Real Gross Domestic Product, Total Expenditure on security, Gross Fixed Capital Formation, Total Labour Force, corruption perception index and poverty index to show the relationship empirically with the use of multiple regressions [OLS] method. It was found out that 90% systematic variation in Real GDP is caused by variation in total labour force, total expenditure on security, corruption perception index, poverty index, unemployment rate, inflation rate and gross fixed capital formation. The study showed that security and other related variables do not only contribute positively to economic growth in Nigeria, but its impact on economic growth is strong and statistically significant.

Nwokwu and Ogayi, (2021) investigated security challenges as a threat to socio-economic development of Nigeria. This study is anchored on the theory of Fragile State espoused by Sara (2008). Content analytical method was adopted due mainly to the nature of the problem under investigation. Data for the study were generated from secondary sources. After careful analysis of data relevant to the study, it was found out that Boko Haram terrorist acts have significant adverse effect on foreign direct investment; that there is a positive relationship between Niger Delta militancy and reduction in foreign exchange earnings to Nigeria and that effective mass participation in governance is central to achieving peaceful co-existence in Nigeria.

Aghaulor (2021) this research work investigated restructuring national security for economic growth in Nigeria for the period 1981 to 2017. In a bid to actualize the main objective of this study, a good number of literature materials were reviewed and data were collected from secondary sources such as the various editions of CBN Statistical Bulletin. The data were analyzed using Augmented Dickey-Fuller (ADF) Unit Root test, Johansen co-integration test, Error Correction Model. The selected variables (i.e., Gross Domestic product, Life expectancy at birth, terrorism risk index, discomfort index, adult literacy rate, and corruption perception index and unemployment rate) had a co integrating relationship indicating long-run relationship among the variables. The result of the Error Correction Mechanism (ECM) had the expected negative sign and statistically significant at the 0.05 level, an indication that any disequilibrium in the system will be adjusted. Based on the conclusion made, it is recommended that government should restructure and decentralize security architecture, increase capital expenditure on security and provide the enabling environment for people to work especially in the area of security of lives and property. This is against the back-drop that no meaningful economic activity can thrive in the face of insecurity.

Ilemona and Abdulkareem (2018) this study examines the implication of insecurity on economic development in Nigeria. With the use of trend analysis, descriptive statistics and Pearson correlation of failed state index, human development index and Legatum's prosperity index, the study reveal an inverse relationship between insecurity and economic development in the country. to ensure economic development in Nigeria therefore, the study recommends various measures of curbing insecurity including preventive community policing, human development centered growth perspective, equitable distribution of resources as well as channeling of resources to frontline sectors of the economy among others.

Methodology
Research Design

This study adopted the *ex-post-factor* research design. Bound test of Auto Regressive Distributed Lag (ARDL) model was used for econometric estimation.

The study further employs data mainly from the secondary source which are obtained from the CBN database. The time series data cover the period of 1990-2021. In an attempt to estimate the relationship between insecurity and sustainable economic growth, the following variables were used; real gross domestic product (RGDP) as the dependent variable; while the Proxies for insecurity which serve as the independent variables are corruption perception index, terrorism risk index, unemployment rate and kidnapping rate

Noting that insecurity may affect growth with time lag hence, an Autoregressive Distributed Lag (ARDL) Model was adopted for the analysis. It is expected that insecurity negates sustainable growth. The model is anchored on earlier studies of (Azu, Okobia, Ayodele, Dibia, Okoro, Gabriel (2021) with some modification.

The models are specified in functional form below as;

$$GNIpc = f(PST, MEX, GEF) \quad 1$$

$$UNR = f(PST, MEX, GEF) \quad 2$$

Where GNIpc represents GNI per capita growth (annual %), PST is the political stability and absence of violence/terrorism rating of the country, MEX is the military expenditure (% of GDP), UNR is the total unemployment rate (% of total labor force) (UMP), and GEF is the government effectiveness measure.

The general model of this study therefore is stated as follows;

$$RGDP = f(CPI, TRI, UER, and KIR) \quad 3$$

The econometric linear expression of the above model in equations is presented as:

$$RGDP = \alpha_0 + \alpha_1CPI + \alpha_2TRI + \alpha_3UER + \alpha_4KIR + Ut \quad 4$$

Where, α_0 is the intercept, Ut is the stochastic error term, $\alpha_1, \dots, \alpha_4$ are the parameters set for estimation. Expressing equation 4 as an Auto-Regressive Distributed Lag (ARDL) model, equations is formulated.

$$RGDP_t = \alpha_0 + \alpha_1CPI_{t-1} + \alpha_2TRI_{t-1} + \alpha_3UER_{t-1} + \alpha_4KIR_{t-1} + Ut \quad 5$$

Where;

t-1 is the first lag order of the variables.

RGDP_t = Real Gross Domestic Product

CPI = Corruption perception index

TRI =Terrorism risk index

UER =Unemployment rate

KIR = Kidnapping rate

Data Analysis

Table 1: Summary Unit Root Test Result

Variables	ADF Stat	5% Critical Value	Order of integration	Remark
RGDP	-5.137714	-2.986225	1(0)	Stationary
CPI	-7.273091	-2.991878	1(1)	Stationary
TRI	-5.730090	-3.020686	1(0)	Stationary
UER	-4.737655	-2.991878	1(1)	Stationary
KIR	-8.558765	-2.976263	1(1)	Stationary

Source: Author's compilation using E-view 9 output

The first variable of the models, RGDP, is of zero integration order with the measure of Terrorism risk index TRI. Also, in the second model, the variable, corruption perception index is of the same integration order with unemployment rate UER and kidnapping rate. Thus ARDL, estimation model is suitable with the above integration pattern

Table 2: ARDL (d) Results

Dependent Variable: LNRGDP
 Method: ARDL
 Date: 09/25/21 Time: 21:54
 Sample (adjusted): 6 36
 Included observations: 26 after adjustments
 Maximum dependent lags: 4 (Automatic selection)
 Model selection method: Akaike info criterion (AIC)
 Dynamic regressors (4 lags, automatic): LNCPI LNTRI LNUER LNKIR
 Fixed regressors: C
 Number of models evaluated: 2500
 Selected Model: ARDL (4, 4, 4, 4, 3)

Variable	Coefficient	Std. Error	t-Statistic	Prob.*
LNRGDP (-4)	0.908841	0.219988	4.131329	0.0539
LNCPI (-4)	0.309992	0.031777	9.755161	0.0103
LNTRI (-4)	-0.12269	0.030101	-3.231372	0.0849
LNUER (-4)	0.030045	0.005069	5.926900	0.0273
LNKIR (-3)	-0.100637	0.042589	-2.363013	0.1419
C	2.207596	0.337094	6.548899	0.0225
R-squared	0.999975	Mean dependent var		10.21136
Adjusted R-squared	0.999693	S.D. dependent var		0.521311
S.E. of regression	0.009132	Akaike info criterion		-7.272842
Sum squared resid	0.000167	Schwarz criterion		-6.111522
Log likelihood	118.5469	Hannan-Quinn criter.		-6.938424
F-statistic	3542.054	Durbin-Watson stat		2.478767
Prob(F-statistic)	0.000282			

*Note: p-values and any subsequent tests do not account for model

Source: E-view 9 Output, 2021

The ARDL method result as presented in table 2 above, show that the coefficient of determination (R-square) is ‘a good fit’ indicating that 99 percent of the variations in RGDP are determined by the combine effect of changes in the explanatory variables –CPI, TRI, UER and KIR indicators. The F- statistics (3542.054) confirms further that these explanatory variables are not jointly and statistically significant in explaining the variations in the RGDP. The selected explanatory variables such as CPI and UER are positively signed, while TRI and KIR are negatively signed. A cursory look at the diagnostics test suggests no possible spurious regression (high Durbin Watson (DW) statistics ratio (2.478767) and very high R-square (0.99) which implies time-dependency of these variables at this level.

Test of Hypotheses

Hypothesis One

Re-Statement of Hypothesis:

Ho: Corruption perception index has no positive and significant effect on sustainable economic growth of Nigeria

Ha: Corruption perception index has positive and significant effect on sustainable economic growth of Nigeria

Decision

Using table 2; the decision criterion is not to reject the null hypothesis if the probability of t - statistics is > 0.05 level of significance. Otherwise reject the null hypothesis and accept the alternate hypothesis accordingly. Table 2 shows a positive coefficient of 0.309992 and the probability value of t – statistics of 0.0103 < 0.05 level of significance; therefore, we do reject the null hypothesis but conclude that corruption perception index has a positive and significant effect on RGDP of Nigeria

Hypothesis Two

Re-Statement of Hypothesis:

Ho: Terrorism risk index has no positive and significant impact on Agricultural sector growth in Nigeria

Ha: Terrorism risk index has positive and significant impact on RGDP of Nigeria

Decision

Using table 2; the decision criterion is do not reject the null hypothesis if the probability of the t-statistics is > 0.05 level of significance; otherwise, reject the null hypothesis and accept the alternate hypothesis accordingly. Table 2 shows a negative coefficient of -1.12269 and the probability of the t- statistic of 0.0849>0.05 level of significance; therefore, we do not reject the null hypothesis but conclude that terrorism risk index has a negative and insignificant impact on RGDP of Nigeria.

Causality Tests

Table 3: Pairwise Granger Causality Tests

Date: 09/26/21 Time: 08:12

Sample: 1 39

Lags: 2

Null Hypothesis:	Obs	F-Statistic	Prob.
LNRGDP does not Granger Cause LNCPI	33	2.20022	0.1296
LNCPI does not Granger Cause LNRGDP		0.03335	0.9672
LNTRI does not Granger Cause LNCPI	34	1.27311	0.2951
LNCPI does not Granger Cause LNTRI		1.45549	0.2498
LNCPI does not Granger Cause LNTRI	34	1.53625	0.2322
LNCPI does not Granger Cause LNCPI		3.91231	0.0313
LNUER does not Granger Cause LNCPI	31	1.10105	0.3475
LNCPI does not Granger Cause LNUER		2.18272	0.1330
LNUER does not Granger Cause LNRGDP	36	2.17499	0.1306
LNRGDP does not Granger Cause LNUER		3.30800	0.0499
LNCPI does not Granger Cause LNRGDP	36	1.90644	0.1656

LNRGDP does not Granger Cause LNCPI		0.68865	0.5098
LNKIR does not Granger Cause LNRGDP	33	0.30888	0.7367
LNRGDP does not Granger Cause LNKIR		0.42426	0.6584
LNCPI does not Granger Cause LNKIR	37	0.53587	0.5903
LNUER does not Granger Cause LNTRI		1.98424	0.0015
LNKIR does not Granger Cause LNTRI	34	2.66018	0.0870
LNUER does not Granger Cause LNKIR		1.94930	0.1606
LNTRI does not Granger Cause LNCPI	34	5.63993	0.0085
LNUER does not Granger Cause LNTRI		1.88043	0.1707

Source: E-view 9 Output, 2021

From the Granger Causality test result in 3 done with a lag of 2, RGDP is tested against all the explanatory variables. The choice of lag of 2 is aimed at not sacrificing greater degree of freedom which may affect the outcome of the test. In determining the existence and direction of causality, the p-value of the F-statistics is used with 5% level of significance to either accept or reject the null hypotheses as stated.

Hypothesis Three

Re-statement of Hypothesis

Ho3: There is no causal relationship between unemployment rate and real gross domestic product of Nigeria.

Ha3: There is causal relationship between unemployment rate and real gross domestic product of Nigeria

Decision

Using table 3, the decision criterion is, do not reject the null hypothesis if the probability of the t-statistics is > 0.05 level of significance; otherwise, reject the null hypothesis and accept the alternate hypothesis accordingly. The Pair wise Granger Causality test shows that there is a unidirectional causality running between unemployment rate and real Gross Domestic Product of Nigeria.

Hypothesis Four

Re-statement of Hypothesis

Ho4: Kidnapping Rate has no positive and significant effect on real gross domestic product of Nigeria.

Ho4: Kidnapping Rate has no positive and significant effect on real gross domestic product of Nigeria.

Decision

Using table 2; the decision criterion is do not reject the null hypothesis if the probability of the t-statistics is > 0.05 level of significance; otherwise, reject the null hypothesis and accept the alternate hypothesis accordingly. Table 2 shows a positive coefficient of -0.100637 and the probability of the t- statistic of $0.1419 > 0.05$ level of significance, therefore we do not reject the null hypothesis but conclude that kidnapping rate has a negative and insignificant effect on RGDP of Nigeria

Summary of Findings

The following are the findings from the specific objectives of the study:

- I. Corruption perspective index has a positive and significant effect on real Gross Domestic Product (RGDP) of Nigeria. It shows a positive coefficient of 0.309992 and the probability value of t – statistics of $0.0103 < 0.05$ level of significance; therefore, we do reject the null hypothesis but conclude that corruption perception index has a positive and significant effect on RGDP of Nigeria
- II. Terrorism risk index has negative but insignificant effect on real Gross Domestic Product (RGDP) of Nigeria. It shows a negative coefficient of -1.12269 and the probability of the t- statistic of $0.0849 > 0.05$ level of insignificance; therefore, we do not reject the null hypothesis but conclude that terrorism risk index has a negative and insignificant impact on RGDP of Nigeria
- III. There is a unidirectional causality running from unemployment rate and Real Gross Domestic Product of Nigeria. The Pair wise Granger Causality test shows that there is a unidirectional causality running between unemployment rate and Gross Domestic Product of Nigeria.
- IV. Kidnapping rate has negative and non-significant effect on real Gross Domestic Product (RGDP) of Nigeria. It shows a positive coefficient of -0.100637 and the probability of the t- statistic of $0.1419 > 0.05$ level of significance, therefore we do not reject the null hypothesis but conclude that kidnapping rate has a negative and insignificant impact on RGDP of Nigeria.

Conclusion

The study has investigated the impact of insecurity on sustainable economic growth of Nigeria. Any country or state having security challenges can hardly attract meaningful investments that create wealth or grow her economy. The level of security challenges in Nigeria has derailed the nation from its growth processes.

Economic growth has been badly challenged due to massive and still growing unemployment in the land. The level and severity of security challenges in the nation have casted doubt on the seriousness of the government of the nation. There are calls for concerted and well-articulated security policies to address the hydra-headed problem. Nigerian government are encouraged to develop the political will and holistic measures to solve the problems of insecurity now they have known the root causes. Such solutions must be such that should be long lasting and all-encompassing to avoid a recurrence.

Recommendations

- I. Corruption at all levels must be eliminated in such a way that equal rights apply to all and rights and privileges of people are not agreed upon based on bribery and tribe but on merit, defined in relation to Character content, their mental efficiency and their efficiency; where there will be no discrimination
- II. The government Nigeria can partner with neighboring Countries to exchange intelligence and information that would help in quelling the insurgency in the northeast also they can procure state-of-the-art combat helicopters and alpha jets for the Nigerian Air Force this will help in reducing the casualties of the war on our own side and assist the Military in neutralizing most of their hideouts of these evil ones and hopefully bringing the long-dragged war to an end.
- III. Effective formulation and implementation of guidelines and programs that can address the basic causes of uncertainties in Nigeria is essential, particularly with regard to poverty; Unemployment, environmental degradation, injustice, corruption, porous borders and the proliferation of small arms.
- IV. The socio-economic development is strongly considered as the major key to peace and security in Nigeria. The challenge in solving the insecurity problem in Nigeria is to accelerate the pace of development in the context of creating an economy with relevant social, economic, and physical infrastructure for business operations and industrial growth, to provide gainful employment, high-level education facilities, and medical care for the people.

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