



EFFECT OF SOCIAL INSECURITY ON THE DEVELOPMENT OF SMALL BUSINESSES IN THE NIGER DELTA REGION OF NIGERIA

TANGI EBIMOBOWEI SAMUEL

Dept. of Business Management and Entrepreneurship Studies

Faculty of Management Sciences

Ebonyi State University, Abakaliki, Nigeria

ABSTRACT

This study examines the effect of social insecurity on the development of small businesses in the Niger Delta Region of Nigeria. Specifically, the study attempts to ascertain the effect of bombing of oil facilities, proliferation of small arms and light weapons and sea piracy on the development of Niger Delta Region of Nigeria. Content Analysis research design is used to review existing literature. The study finds that proliferation of small arms and light weapons, sea piracy and bombing of oil facilities as components of social insecurity adversely affect the development of small businesses in Niger Delta Region of Nigeria. The implication of the finding is that uncertainty and anxiety arising from unsecured environment affects the ability of small businesses to develop and thrive. The study concludes that social insecurity is the major problem militating against the development of small businesses in the Niger Delta Region of Nigeria. It is recommended that government should provide adequate security in the region so as to contain the level of proliferation of arms and light weapons, bombing of oil facilities and sea piracy in the Niger Delta Region of Nigeria.

Key words: Social insecurity, development, small business, Niger Delta region.

INTRODUCTION

Social insecurity is a feeling of uncertainty, a lack of confidence or anxiety about oneself and the environment (GPI, 2012). Global insecurity is one of the causes of low investment all over the world. Countries involved in arms struggle and conflicts naturally divert all available resources to providing security for their people at the expense of economic growth and development of businesses (GPI, 2012). Apart from the concentration of resources in the procurement of arms to sustain a conflict, the issue of conducive environment necessary for the survival of businesses cannot be guaranteed during periods of insecurity. This can explain why most of the security compromised economies are inefficient as seen in the ease of doing business index (Ease of doing business, 2017).

National security threat has been on the increase, as Nigeria, in recent times witnessed unparalleled level of insecurity, which led to outstanding increase in the national budget. There had been efforts towards ameliorating the incidence of crime through the passage of the Anti-Terrorism Act in 2011, installation of computer-based closed circuit television cameras (CCTV) in some parts of the country, enhancement of surveillance as well as investigation of crime-related offences. There has also been the heightening of physical security measures around the



country aimed at deterring or disrupting potential attacks, strengthening of security agencies through the provision of security facilities, and the development and broadcast of security tips in the mass media (Azazi, 2011). Despite these efforts, the level of insecurity in the country is still high. In addition, Nigeria has consistently ranked low in the Global Peace Index (GPI, 2012), signifying a worsened state of insecurity in the country. Hence, Adagba et al. (2012) and Uhumwuangho and Aluforo (2011) are of the view that the efforts of government have not yielded enough positive results.

The Niger Delta region of Nigeria comprises six states (Akwa Ibom, Cross River, Rivers, Bayelsa, Edo and Delta) out of the thirty-six (36) states that make up the Nigerian nation. The Niger Delta people are able and willing to work; yet, they are idle because there are no job offerings or opportunities to engage them. Going into business ventures has been difficult because of the security challenges around the region, such as, terrorism, kidnapping, pipe line vandalism, armed robbery, oil theft, and so on (Nwali, 2011). It has denied the people basic needs of participation, equality and social wellbeing as human dignity and rule of law. To this end, Okpata and Nwali (2013), citing Irobi (2005), note that any system that encourages segregation among its people does not deserve peace and security.

Insecurity in the Niger Delta region is traced to the early days of the discovery of crude oil in commercial quantity in Oloibiri in the present Bayelsa State, in 1956. There were also the army of unemployed youths in the region and the importation of arms to the region during the civil war in early 1970, where some of these arms were still in the hands of civilians, who tasted the war (Ewetanand Urhie, 2014). According to Saro-Wiwa (1990), the insecurity situation in the Niger Delta region took another dangerous turn when people procured arms and light weapons for self-defence, due to the harassment and intimidation by security agents attached to oil companies extracting oil in the region. The influx and proliferation of small and light weapons has contributed to the high level of insecurity currently witnessed in the Niger Delta region.

In Nigeria, there have been incessant demands to evolve comprehensive entrepreneurship development plans to drastically reduce urban migration, which engenders general welfare and lasting national development. Sustainable small business development is a concept that attempts to harmonise the benefits of development with minimal destabilisation of the environment by harnessing and mobilising natural resources and human skills to produce goods and services to satisfy man's needs. OECD (2017) refers to small businesses as firms employing up to 249 persons, with the following breakdown: micro (1 to 9), small (10 to 49) and medium (50-249). Multinationals and other industrial establishments play a significant role in the development of small business enterprise in the host communities and the society (Oboreh, 2011). They require a peaceful and conducive environment for industrial harmony, which rests with national disposition and psycho-physiological temperament of the host communities.

Although the case of the Niger Delta is a circumstance of injustice and neglect by multinational oil/gas conglomerates and the Federal Government that exploit the natural resources of the region with their allies to the detriment of the environment and its people. This



development has precipitated far-reaching consequences in which industrial establishments and their assets have become the targets of restive youths or militants. The oil and gas industries are the most vulnerable to the activities of militancy, which bring about indecent development of small business enterprises in the Niger Delta region (Alagoa, 1993).

STATEMENT OF THE PROBLEM

There is high level of insecurity in the Niger Delta region with dreaded militant groups like the Avengers, Egbesu Boys, and Mangrove Voices, among others (Ewetan and Urhie, 2014). This has become a threat to small business development, lives and propriety, as investors are not willing to invest where their investments are not safe. Investors are not only interested in returns on investments but also the security of their investments. Many companies and businesses in the Niger Delta region have stopped operations due to insecurity (Ease of doing business, 2017). The loss of lives and material resources because of insecurity occasioned by the discovery of oil in commercial quantity is unquantifiable in the region. The frequent bombing of oil facilities and communities and sea piracy all orchestrated by the acclaimed militant groups in the region have assumed a worrisome dimension. It is even more worrisome when one considers the fact that more than one trillion naira (**N1trn**) had been spent to provide security in the region in the name of security vote by the three tiers of government (CBN Report, 2013); but regrettably, there has been no meaningful result.

The insecurity problem in the Niger Delta region has led many business and companies to close down their operations in large numbers; some have relocated to other parts of Nigeria and African countries for fear of loss of lives and property. The few remaining operate on skeletal bases and have difficulty to thrive for development (The Punch, 2015). Thus, the state of insecurity in the Niger Delta and consequent youth restiveness need to be properly situated. Of great significance is the alienation of the Niger Delta from their oil resources culminating in unprecedented poverty and unemployment. What was thought to have been a blessing to the oil-rich region has paradoxically become a curse (**Saro-Wiwa, 1990**). The traditional farmers and fishermen have by the activities of the oil companies been denied full access to their lands for agriculture; also, the benefits accruing from oil are not being enjoyed by them.

As Ewetan and Urhie (2014) state that on April 7, 2000, armed militants seized ELF Aquitaine Oil Company in River State and kidnapped 40 expatriates made up of 10 Koreans, 15 British and 15 French as hostages; but they were all later released, unharmed. On April 14, 2000, in Delta State, armed militants seized Noble Oil Drilling Company and kidnapped 19 employees contracted by the Anglo-Dutch owned Shell Petroleum Development Company (SPDC); the employees were later released. On July 31, 2000, armed militants also kidnapped 165 persons at two oil drilling rigs in Bayelsa State; 145 of the victims were Nigerians, seven U.S. citizens, five Britons, and eight Australian and Lebanese nationals. All were released unharmed in August. Again, in January 29, 2001, armed militants blew up oil flow stations, where 40,000 barrels of oil were reported wasted per day until the situation was arrested. By April 14, 2002, armed militants kidnapped 10 oil workers contracted by the Royal Shell Oil Group, out of which six were expatriates. There were also attacks of Agip Oil pipelines on September 30, 2010, in Delta State, which led to the shutting down of 4,000 barrels of oil production each day. Another attack on Agip Oil pipeline on October 1, 2010, led to the shutting



down of 4,000 barrels of production per day in Bayelsa State, which sabotaged the oil minor pipelines.

This has invariably triggered restiveness of the youth owing to the attendant unemployment, poverty and frustration. The direct impact of this development on the growth of small scale business is obvious. The youths, who are the potential entrepreneurs, have abandoned self-development and innovation and resorted to arms struggle, making the environment unconducive for creative works and business growth.

The Niger Delta region of Nigeria, in spite of the human and financial resources, has been bedevilled with insecurity, which, to a very high extent, has affected the development of small scale businesses in the region. This study, therefore, investigates the effect of insecurity and its challenges on the survival of small scale businesses.

OBJECTIVES OF THE STUDY

The broad objective of this study is to verify the effect of social insecurity on the development of small businesses in the Niger Delta region. However, the study is set to achieve the following specific objectives:

- a) To evaluate the effect of bombing of oil facilities on the development of small businesses in the Niger Delta region.
- b) To examine the effect of proliferation of small arms and light weapons on the development of small businesses in the Niger Delta region.
- c) To determine the effect of sea piracy on the development of small businesses in the Niger Delta region.

THE POLICY IMPLICATION

The study will be more useful to the governments of Niger Delta region, at all levels, in providing solutions to the insecurity problems in the region, which will create an enabling environment for the establishment, sustenance and expansion of businesses. The research will also be useful to oil companies in the Niger Delta towards solving the security challenges in the geo-political zone and creating a conducive atmosphere to stimulate oil production and by implication increase oil revenue and engender peaceful co-existence with host communities. As a point of fact, an end to bombing, vandalisation, and other acts of militancy, will on the long run bring increase in revenue of the Niger Delta and by extension create job. Again, the study will contribute to existing literature and serve as a reference document for researchers on the subject area.

REVIEW OF RELATED LITERATURE

Conceptual Review

The main variables of the study, such as, insecurity, development and small businesses are explained under the conceptual review.



Concept of Social Insecurity

Security is conceivably a paramount necessity to the existence of individuals and the survival of any nation-state. The concept of security progressed comprehensively in the post-cold (1991) Gulf war era, which is commonly described as the paradigm shift to bipolarity to unilateral world order. The phenomenon has generated globalisation as a solemn factor to connecting distant entities and catalysing global trade and commerce. As it were, globalisation has shaped a unique sense of homogeneity in every sphere of economic, social and political life of mankind and surprisingly revamped the traditional understanding of nation-state and the threat perception, simultaneously.

Insecurity in intelligence circle is not the absence of threats or security issues; but it is the existence of a robust mechanism to respond proactively to the challenges posed by these threats with expediency, expertise and in good time (Akin,2008). It is the antithesis of security. However, because of the very many ways in which insecurity affects human life and existence, the concept of insecurity has usually been ascribed different interpretations in association with the various ways which it affects individuals. Some of the common description of insecurity include: want of safety; danger; hazard; uncertainty; want of confidence; doubtful; inadequately guarded or protected; lacking stability; troubled; lack of protection; and unsafe, to mention a few. These different descriptors, however, run into a common reference to a state of vulnerability to harm and loss of life, property or livelihood. Beland (2005) defines social insecurity as, “the state of fear or anxiety stemming from a concrete or alleged lack of protection.” It refers to lack or inadequate freedom from danger. Social insecurity reflects physical insecurity, which is the most visible form of insecurity; and it can be likened to other forms of insecurity, such as, economic security.

For better understanding of insecurity, as a concept in this paper, it is the antithesis of security. It connotes absence of safety, danger, hazard, uncertainty, lack of protection and lack of safety (Ewetan and Urhie, 2014). The causes of insecurity in the Niger Delta region thus pose major challenge to small scale businesses and socio-economic development (Okonkwo, 2015). Scholars like Achumba (2013), Jami'u (2013) and Nwagboso (2012) have identified the insecurity challenges in Nigeria to include the following:

- i. The Niger Delta crisis;
- ii. Kidnapping;
- iii. Boko Haram insurgency in the North East;
- iv. Armed robbery;
- v. Government/leadership failure;
- vi. Pervasive material inequalities and unfairness;
- vii. Ethno-religious conflicts;
- viii. Political/ritual killing/assassination;
- ix. Chronic unemployment/poverty;
- x. Rural-urban drift;
- xi. Porous borders; and
- xii. Systemic corruption and loss of socio-cultural and communal value system.



They contend that the insecurity challenges are inimical to socio-economic and national development of Nigeria.

To Achumba (2013), the root causes of insecurity in the Niger Delta region include;

- i. Lack of institutional capacity resulting in government failure;
- ii. Pervasive material inequalities and unfairness;
- iii. Divide and rule mechanism apply by oil companies;
- iv. Conflict of perception between communities in the Niger Delta Region;
- v. Weak security system; and
- vi. Loss of socio-cultural ethics and moral value system.

Furthermore, Achumba (2013) highlights the following sources of insecurity in Nigeria:

- i. Lack of institutional capacity resulting in government failure:** This results from what Fukuyama (2004) describe as the corrosion or breakdown of institutional infrastructure. Also, Hazen and Horner (2007) describe the Nigerian situation as a ‘Paradox of Plenty’, a situation where the country earns a great deal of revenue through oil sales, but fails to use these earnings to meet the needs of its people and to develop infrastructure as well as the economy.
- ii. Pervasive material inequalities and unfairness:** This is the obvious disparity in distribution of resources, which in the general perception of inequality and unfairness, has resulted in grievance by a large number of people. Stemming from the perception of marginalisation by a section of the people, government development policies and political offices have become the primary sources of disaffection and resentment. As noted by Onuoha (2011), most Nigerians are frustrated and have lost hope, especially the youths, and have now opted to express their disillusionment about the pervasive state of inequality.
- iii. Ethno-religious conflicts:** These have arisen from distrust among various ethnic groups and among the major religions in the country. Hazen and Horner (2007), Ibrahim and Igbuzor (2002), Igbuzor (2011), and Salawu (2010) identify ethno-religious conflicts a major source of insecurity in Nigeria. Frequent and persistent ethnic conflicts and religious clashes, between the two dominant religions (Islam and Christianity), present the country with a major security challenge.
- iv. Conflict of Perceptions between the public and government:** Over the years, there has been a standing mismatch between public and government perceptions. This situation often results in the reactions of the public to the excesses of the military regimes, which governed Nigeria and has continued after the end of military regimes. Frequently, on any given incident, public and government reactions vary. When you have a society with these unending political conflicts, “it is there on the media whether print, electronic or social media and this brings a lot of insecurity to the system” (Bellooyedele, 2012).

Weak Security System



Insecurity is a result of inadequate equipment for the security arm of government, both in weaponry and training, in addition to poor attitudinal and behavioural disposition of the security personnel. In many cases, security personnel assigned to deal with given security situations lack the expertise and equipment to handle such situations to prevent them from re- occurring. Even when these exist, some personnel get influenced by ethnic, religious or communal sentiments and are easily swallowed by their personal interests to serve their people, rather than the nation. Thus, instead of being national watch dogs and defending national interests and values, and protecting people from harm by criminals, they soon become saboteurs of government efforts, by supporting and fuelling insecurity through leaking vital security information, aiding and abetting criminals to acquire weapons, or to escape the long arm of the law.

Loss of Socio-cultural and Communal Value System

The traditional value system of the Nigerian society is characterised by endearing features, such as, collectivism, loyalty to authority and community, truthfulness, honesty, hard work, tolerance, love for others, mutual harmony and coexistence, and identification of individual with one another (Clifford, 2009). Other distinctive features of the Nigerian traditional society are abhorrence for theft and high value for life. All of these values that make society secure and safe have all gradually been thrown away and lost.

Contemporary thinking about insecurity is all encompassing as McNamara (1983) affirms that position when he warns that, any society that seeks to achieve adequate military security against the background of acute food shortage, populations explosion, low level of production and per capita income, low technological development, inadequate and inefficient public utilities and chronic problem of unemployment, have a false sense of security. McNamara further warns that the perpetration of poverty in a country is the harbinger of unrest, internal upheavals, violence and escalation of extremism. For developing countries, he further urges the political leaders to note that without development, there cannot be national security. He states thus:

In a modern society, security means development, security is not military hardware, though it may include it; security is not a military force, though it may involve it; security is not traditional military activity, though it may encompass it; security is development, and without development, there can be no security (McNamara, 1983:22).

Business survival, in this paper, is as a multifaceted phenomenon centred on man, capital infrastructure and the impact of the environment. It is the process of empowering people to maximise their potentials, and develop the knowledge and capacity to exploit nature to meet daily needs (Ake 2001; Nnoli, 1981; Rodney, 1972). Scholars have identified strong links between security and development since the cold war ended (Chandler, 2007; Nwanegbo, 2013). They argue that achieving development in any nation, state or region, where there are conflicts, crises and wars, is not feasible. There is a consensus in the literature that insecurity and business development are two different and inseparable concepts that affect each other; and this has naturally triggered debates on insecurity and business development nexus (Chandler, 2007; Stan,



2004). Indicators, such as, life expectancy, access to water, poverty rate, and mortality rate, therefore can only measure socio-economic development.

Concept of Small Business and Development

It should be noted that a standard international definition of small business does not exist. Small businesses are defined differently in the legislation across countries. To be specific, the dimension of a firm being “small” is relative to the size of the domestic economy. For statistical purposes, the OECD (2017) refers to small businesses as firms employing up to 249 persons. As stated earlier, the breakdown is: micro (1 to 9), small (10 to 49) and medium (50-249). This provides for the best comparability given the varying data collection practices across countries, noting that some countries use different conventions. The use of statistical approach is usually appreciated because it is affected by economic fluctuations. However, other characteristics adopted in the definition of small businesses are capital outlay, number of employees, sales turnover, fixed capital investment, available plant and machinery, market share and the level of development (Ayozie, Jacob, Umukoro, & Ayozie, 2013).

Development as it applies to this study is economic development; and it is seen as the development of economic wealth of countries, regions or communities for the well-being of their inhabitants. From a policy perspective, economic development can be defined as efforts that seek to improve the economic well-being and quality of life for a community by creating and/or retaining jobs and supporting or growing incomes and the tax base (Valickova, Havranek, and Horvath, 2015). It typically refers to improvements in a variety of indicators, such as, literacy rates, life expectancy, and poverty rates. In this sense, economic development focuses on the recruitment of business operations to a region, assisting in the expansion or retention of business operations within a region or assisting in the start-up of new businesses within a region. In general, economic development is usually the focus of federal, state, and local governments to improve standard of living of the citizens through the creation of jobs, the support of innovation and new ideas, the creation of higher wealth, and the creation of an overall better quality of life.

Contextual Review

Contextually, the study tries to establish the link between insecurity in the Niger Delta and small businesses development. However, most militant activities that affect the oil producing firms indirectly affect the small businesses development. The major oil-producing firms on account of their massive exploration activities and consequent production output are expected to trigger the birth and growth of businesses, which will only be possible in a stable and secured environment. It is the opinion of this study that whatever affects the large oil firms directly also affects the small businesses indirectly and by extension worsens poverty and unemployment situations in the region. The table 1 shows selected incidences of militant attacks across some states of the Niger Delta region.



Table 1: Selected Incidents of Militancy in Niger Delta

Dates	Location	Types of Attack	Observations
April 7, 2000	Rivers	Armed Militants seized Elf Aquitaine Oil Co.	Kidnapped 40 expatriates made up of 10 Koreans, 15 British and 15 French as Hostages and there were all later released unharmed.
April 14, 2000	Delta	Armed Militants seized Noble Drilling Oil Company.	Kidnapped 19 employees contracted by the Anglo-Dutch owned Shell Oil Company. Employees were later released.
July 31,2000	Bayelsa	Armed Militants	Kidnapped 165 persons at two oil drilling rigs. 145 were Nigerians, 7 U.S. citizens, 5 Britons, and 8 Australian and Lebanese nationals. All released unharmed in August.
Jan 29, 2001	Rivers	Armed Militants	Blew up oil flow stations. 40,000 barrels of oil was reported wasted per day until the situation was Arrested.
April 14, 2002	Delta	Armed Militants	Kidnapped 10 oil workers contracted to the Royal Shell Oil Group out of which 6 were expatriates.
Sept 30, 2010	Delta	Armed Militants	Attacked Agip Oil Pipelines, shut down 4000 Barrels of production each day.
Oct 1,2010	Bayelsa	Armed Militants	Attacked Agip Oil Pipeline shutting down 4000 barrels of production per day.
Oct 28-29, 2010	BayelsaOsiamas Field	Armed Militants	Sabotaged oil minor pipeline.

Source: Adapted from Ordu (2017)

It is apparent, from the above table, that kidnapping and violent attacks were prevalent in the areas of Rivers, Delta and Bayelsa. In all the three states, the criminal activities of kidnapping oil workers have been very intensive. Each state also has the history of vandalising and blowing up critical oil infrastructure. The same table reveals that while kidnapping of oil



workers intensified in all the three states under study, it also reported cases of releasing victims unharmed.

According to Okonkwo (2015), the implications of insecurity challenges on the survival of businesses and socio-economic growth in the Niger Delta region are:

- a) Social dislocation and population displacement;
- b) Social tension and new pattern of settlements, which encourage indigenes and non-indigenes or members of an ethnic group moving to dominated enclaves;
- c) Heightens citizenship question, which encourages hostility between "indigenes" and 'settlers';
- d) Dislocation and disruption of family and communal life;
- e) General atmosphere of mistrust, fear and anxiety;
- f) Dehumanisation of women, children and men, especially in areas where rape, child abuse and neglect are used as instruments of war;
- g) Deepening of hunger and starvation in the region and the country at large;
- h) Discourages local and foreign investments as it makes investment unattractive to business people;
- i) Halts business operations during periods of violence and outright closure of many enterprises in the region where incidences of insecurity are rife and occur on daily bases;
- j) Increase in security spending by business organisations, oil companies and governments; and
- k) Migration of people from areas where there is prevalence of crises to the different state capitals, causing congestion in the urban cities.

Survival of businesses is the primary goal of every responsible government and it is essentially dependent on the level of economic activities in a country. The level of economic activities is in turn enhanced by peaceful co-existence by the people. In the absence of security, sustenance of small business development is not feasible in such areas. Consequently, 'militancy' insurgence in the Niger Delta region has crippled the nation's economic activities. Without prejudice, this is clear fact.

The question of why insecurity remains unabated in the Niger Delta region has been raised by Achumba et al. (2013), Jami'u (2013), and Nwagboso (2012). They attribute it to lack of will power on the part of leadership, lack of institutional capacity resulting in government failure, pervasive material inequality and unfairness among oil and gas producing communities, breakdown of the socio-cultural and communal value system, poor followership and inefficiency of the law enforcement agencies. It is one thing to promulgate good laws and formulate good policies; and it is another to develop the will power to enforce the laws is another.

To Oladiran (2014), while other countries are showing serious commitment in tackling insecurity, Nigeria may be described as being lackadaisical in this regard for so many reasons. These include, but not limited to, poverty, unemployment, unprecedented level of corruption, lack of political will, the do-or-die syndrome and winner-takes-all mentality in politics, and illiteracy.



Empirical Review

Olabanji (2014) examines the pertinent issue of insecurity in Nigeria and its implication for socio-economic development. Available data on the level and dimensions of insecurity in Nigeria reveal an increase over time, which constitute serious threat to lives and property, hinder business activities and discourage local and foreign investors, all of which stifle and retard the nation's socio-economic development. This rising wave of insecurity has not abated but has assumed a dangerous dimension, which is threatening the corporate existence of the country, as one geographical entity.

In the light of the above, the paper recommends that government must be proactive in dealing with security issues and threats. This is through modern methods of intelligence gathering and sharing among security personnel, training, logistics, motivation, and deploying advanced technology in managing security challenges. The real solution lies in government accelerating the pace of economic development through creating an economy with relevant social, economic and physical infrastructure to support business and industrial growth.

Ajibola (2016) focuses on economic growth amidst insecurity in Nigeria with efforts to explain the impact of security on economic growth using time series data 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. The study 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. Also, Nigeria's potential GDP growth rate is 11%, while the actual growth rate is 6%, which implies that the country's economy is efficient due to the level of insecurity, corruption, unemployment and poverty. Based on the findings, the study concludes that the structure and trend of budgetary allocation to security is still inadequate to face the challenges of Boko Haram. Security funding and also reduction in unemployment rate has to be treated as a matter of urgency in Nigeria, that is, increase in security funding will lead to increase in economic growth. The study, therefore, recommends that government should, as a matter of priority, implement the policy of the Economic and Financial Crime Commission (EFCC), in order to reduce the level of corruption in the country. Donor agencies like The World Bank, United Nations Development Programme (UNDP), United Nations Educational, Scientific and Cultural Organisation (UNESCO), and others should also be encouraged to inject funds into the security sector.

Paul and Chinecherem (2015) examine the security challenges facing the Nigerian government and their implications to national stability, relying on secondary sources of information, making use of empirical approach. From the findings, the researchers recommend the retraining of Nigerian security agencies, changing of government's approach and attitude regarding security matters, evolving programmes on cultural and political education and orientation, and embarking on a de-radicalisation strategy, among others, that will aid the government to ensure security in Nigeria.

Owonikoko (2016) analyses the dynamics of kidnapping in the Niger Delta region before and after the implementation of the Presidential Amnesty Programme, using both primary and



secondary data. The study traces the commencement of kidnapping in the Niger Delta region to the beginning of the armed phase of the agitation for resource control in the region. The perpetrators were basically militant groups and the victims were expatriates. The armed approach was strategically used to wage the resource control war against the federal government and the multi-national oil companies. However, with the implementation of the Amnesty Programme since 2009, there has been increase in cases of kidnapping instead of reduction. While the perpetrators now involve both members and non-members of armed groups, the victims also include expatriates and indigenes of the region, depending on their economic worth, as used as a mean of livelihood and survival by those indulging in it in the post-Amnesty Niger Delta. The researcher argues that widespread increase in kidnapping in post-amnesty Niger Delta can be traced to the prevalence of poverty in the region and the way and manner in which the Amnesty Programme was implemented. The researcher recommends massive job creation and reconsideration of the system of justice administration in the country as solutions to the problem of widespread kidnapping in the Niger Delta region.

Toyin, Issa and Chima (2014) reveal that there is more closure of small businesses in Nigeria than their birth; and that very little empirical research has been done up to date, to reveal the actual causes of this phenomenon. In an attempt to fill the gap in the literature, therefore, this exploratory study investigates the characteristics and challenges of small businesses in Nigeria. This is done through an in-depth interview of 152 small businesses in Nigeria, and the data set comprised responses from these business owners. The findings show that small businesses in Nigeria are characterised by unemployed citizenry, who opt for small business as last hope. Another finding reveals insecurity as a major challenge confronting small businesses in Nigeria.

Gilbert (2017) used secondary data to examine the critical nature of the Niger Delta militants' violence and aggression in Nigeria and the effects on the country's national economy. The study found that the Federal Government of Nigeria, with the support of the oil companies, need to genuinely address the demands of the Niger Delta people and strictly adhere to international environmental standards as regards land and water preservation.

Achumba et al. (2013) examine the insecurity situation in Nigeria and its implications for business investment, operations and sustainable development. The evaluation of the level and dimension of insecurity was based on secondary data and observations among authors in different places, zones and lifestyles as expressed in their comments. Concrete evidences of incidences of insecurity in different parts of Nigeria indicate that the insecurity challenge in the country is enormous and complex and would continue to be, unless the situation is checked. Therefore, the researcher emphasises the need to evolve a safe business environment that allows for effective business activities and a sustainable development process. The security management models recommended to achieve this entails combating the creators and perpetrators of situations of insecurity simultaneously addressing and removing the sources of dissatisfaction and discontentment, which spur security breaches. And the involvement of all stakeholders both in public and private capacity government, business organisations, civil society, religious groups, communities and individuals to supply resources, expertise and information that are required to ensure a safe environment.

Ignatius and Ayebaniminyo (2015) conducted a study on the impact of militancy on SMEs with respect to the Niger Delta region, with in-depth semi-structured interviews in eight case study companies and four key informants, and using qualitative methodology. The findings



suggest that violent agitations have resulted in severe adverse impacts, such as, closures, loss of business opportunities, insecurity and disruptions in oil and gas related SMEs as well as other generic groups of SMEs in the area. The costs of the conflicts vary according to business sizes and sectors. The findings also suggest that SMEs respond indirectly to the violent conflicts, collaborating with other organisations and other SMEs rather than working alone. The researchers cohere with the position of the other scholars and establish that there is a significant association between economic growth and development and the reduction of violent conflict.

Okonkwo, Ndubuisi and Threasa (2015) examine security challenges and the implications for business activities in Nigeria, determining the implications of security problems on business operation and investment in Nigeria. The study adopts the Democratic Peace Theory and secondary data to identify the root causes of insecurity in Nigeria which have hindered business activities. Security challenges in any environment constitute threat to lives and property, hinder business activities, and discourage local and foreign investors, which affect and retard socio-economic development of a country. The study recommends affective formulation and implementation of policies capable of tackling the root causes of insecurity in Nigeria, such as, Ethno-religious conflicts, weak security systems, systemic and political corruption and unemployment, among others.

Adabakin and Raimi (2012) examine the link between national security and sustainable economic development in Nigeria. The authors adopted quantitative method, extracted secondary data from the statistical bulletin of Central Bank of Nigeria (CBN), National Bureau of Statistics (NBS) and other reliable reports on the subject. The generated data were carefully analysed using descriptive and inferential statistics on the basis of which far-reaching conclusions were drawn. The researchers indicate that Nigeria's expenditure on national security is rising faster than spending on education, agriculture, health and construction. This unpleasant finding has negative effects on sustainable economic development in Nigeria. The study proffers tripartite recommendations for governments, the citizens and policy-makers.

Furthermore, Nafiu, Okpanachi and Nurudeen (2014) examine the impact of terrorism on Small and Medium Scale Enterprises (SMSEs) mortality rates and standard of living in the northern region of Nigeria. The study used both primary and secondary methods of gathering reliable and adequate data and information to achieve its purpose. The primary method includes the personal interview and questionnaire administered to the randomly selected respondents; and the secondary method includes textbooks, journal and the internet. To analyse the data gathered for this study, descriptive statistical tool, tables and Chi-Square method were used. The study reveals that terrorism can lead to high mortality rate of SMEs and degradation of the living standards of the people in the northern part of Nigeria. The research concludes that terrorism will not only lead to high mortality rate of SMEs and degrade the living standards of the people, but may crumble the country's national economy at the long run if no vibrant measures are taken to halt the menace. The study therefore recommends that government should formulate and implement vibrant policies and programmes as mechanism towards addressing the root causes of insecurity in Nigeria and putting a halt to the menace.

A research conducted by Nwagboso (2012) also reveals that the security challenges in Nigeria have long historical antecedence and traceable to bad governance. The study adopted a descriptive method and content analysis design. The focus of the study was to find out the extent to which the internal security problems have adversely affected the people of the Niger Delta.



The paper argues that the abysmal failure of successive governments in Nigeria to address challenges, such as, poverty, unemployment and inequitable distribution of wealth among ethnic nationalities, ultimately resulted to anger, agitation and violent crimes against the Nigerian state by some individuals and groups. Such crimes include militancy, kidnapping, bombing, armed robbery, vandalism of government properties, and so on. The paper further argues that the activities of the various militia groups culminate in low income from oil, low GDP rate, low foreign and local investments and insecurity of lives and property of the citizens in the Niger Delta region. It recommends the formulation and effective implementation of policies and programmes capable of addressing the root causes of insecurity in the Niger Delta region, such as, poverty, unemployment environment degradation and injustice, among others.

In another study, Ewetan and Urhie (2014) examine the pertinent issue of insecurity in Nigeria and its implications for socio-economic development. The study adopts the descriptive and content analysis method, and reveals that the level and dimensions of insecurity over time was on the increase, which constitutes serious threat to lives and property, hinders small business development and discourages local and foreign investors, all which stifle and retard Nigeria's socio-economic development. The study recommends that government should be proactive in dealing with security issues and threats, through modern methods of intelligence gathering and sharing among security personnel, training, logistics, motivation and deploying advanced technology in managing security challenges. It further recommends the acceleration of the pace of economic development by government through creating an economy with relevant social, economic and physical infrastructure to support business and industrial growth as the real solution to the security challenges.

THEORETICAL FRAMEWORK

This study adopts the Frustration-Aggression Theory that was propounded by Dollard et al.(1939) and further developed by Miller(1941) and Berkowitz (1969). The theory posits that aggression is the result of blocking or frustrating a person's efforts to attain a goal. The theory also states that, unbridled frustration causes aggression onto an innocent target. For example, if a man is disrespected and humiliated at work, but cannot respond to this for fear of losing his job, he may go home and vent his anger and frustration out on his family. The frustration-aggression theory attempts to explain why people run mad. It also attempts to give an explanation as to the causes of violence. The theory holds true in cases of riots and revolutions, which are associated with poorer and more deprived sections of the society, who may express their bottled up frustration and anger through violence.

The Frustration-Aggression theory assumes that frustration caused by interference in goal, directed activity does not automatically result in aggression, but produces a 'readiness' for aggression which if 'triggered' can result in aggressive responses. The theory argues that social movements occur when frustration leads to collective, often aggressive behaviour by extension due to deprivation either absolute or relative. In Nigeria, the ruling majority and the privileged few have marginalised the masses most of whom are the youths and deprived them of participating in governance and getting the needed resources to make life more meaningful to them and guarantee their future. In addition, the government has not been able to provide a secure and safe environment for lives and property conducive of business and economic



activities. Besides, the government has not been able to formulate and implement policies and programmes to address the problems affecting the masses, such as, poverty, unemployment, infrastructure decay and environmental pollution. All these combine to frustrate the deprived people of the Niger Delta region, especially the youths, who have little or no opportunity for survival. This has culminated in the unleashing of anger, terror, aggression, and other negative behaviour on the innocent citizens, the youths since they cannot conveniently get to the people in authority and the privileged few. This is evident in the ethnic and inter-communal violence in different parts of the Niger Delta region that has destroyed lives and property, disrupted business and economic activities, and retarded economic growth and development in the region.

ISSUES/GAPS AND OUTCOMES

- a) **Issues:** The issues remain that the effect of social insecurity on the development of small businesses in Niger Delta region of Nigeria, to the best of our knowledge, has remained less investigated; hence there is every need to ascertain the effects bearing in mind that the region has experienced lots of social insecurity over the years, which, of course, have implications for small business development.

Another issue is the argument in literature that achieving development in any nation, state or region, where there are conflicts, crisis and war, is not feasible (Chandler, 2007). There is a consensus in the literature that social insecurity and business development are two different but inseparable concepts that affect each other. This argument has naturally triggered debates on security and business development relationship.

- b) **Gaps:** The study has established that social insecurity exists in the Niger Delta region of Nigeria and such insecurity manifests largely in the form of proliferation of small arms and light weapons, bombing of oil facilities, sea piracy and kidnapping. However, the gap in the study is that previous studies have not really been able to establish how social insecurity would likely affect the development of businesses in the Niger Delta region of Nigeria. The implication of this is that policies of government aimed at addressing issues of social insecurity in region might be motivated in foreign empirical evidences or on theoretical premises. This study closes the identified gaps by providing local empirical evidences on the effect of social security on development of small businesses in the Niger Delta Region of Nigeria.
- c) **Outcomes:** The study highlights the proliferation of small arms and light weapons, sea piracy and bombing of oil facilities as components of social insecurity that adversely affect the development of small businesses in Niger Delta region of Nigeria. The implication of this finding is that the ability for small businesses to develop and thrive in the region depends largely on the extent to which social security is provided by government and oil companies operating there in.



CONCLUSION AND RECOMMENDATIONS

Conclusion

The study concludes that social insecurity is the major problem militating against the development of small businesses in the Niger Delta region of Nigeria. The study equally concludes that social insecurity manifest in the form of bombing of oil facilities, sea piracy, and proliferation of arms and light weapons in the Niger Delta region of Nigeria. Finally, the study concludes that social insecurity creates uncertainty and anxiety about oneself and the environment and thus culminate in hampering significant and sustainable development of small businesses in the Niger Delta region of Nigeria.

Recommendations

Based on the above conclusions, the following recommendations are made:

1. Government and oil companies operating in the Niger Delta region should continue to provide appropriate framework to address the issue of social insecurity through programmes that will tackle unemployment and under-development of the rural communities, which have been identified as a major cause of social insecurity. This will no doubt make the development of small businesses possible, attractive and more meaningful to all segments of the region.
2. Government should provide adequate security in the region so as to contain the level of proliferation of arms and light weapons and sea piracy in the region.
3. The government, in collaboration with the oil companies operating in the region, should ensure that agitations for resource control and environmental degradation which most times fuel social insecurity is addressed so as to encourage the development of small businesses in the region.

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