



Insurgency: Its Impact on Entrepreneurship Machinations in Northern Nigeria

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Abstract

Insurgency remains a major security and socioeconomic challenge in Nigeria, with substantial implications for entrepreneurial activities, particularly in the northern region. This study examined the perceived impact of insurgency on the establishment and sustainability of small-scale enterprises in Northern Nigeria. A descriptive survey research design was employed. The study involved 810 entrepreneurs, with 45 respondents selected from each participating state using a snowball sampling technique. Data were collected using a researcher-developed instrument entitled the *Questionnaire on Insurgency and Its Impact on Entrepreneurship Machinations in Northern Nigeria*. The instrument employed a four-point Likert scale ranging from Strongly Agree (4) to Strongly Disagree (1). Content validity was assessed by two experts in Measurement and Evaluation, while test-retest reliability conducted at a two-week interval yielded a reliability coefficient of 0.71. Data were analyzed using descriptive statistics, including frequencies, percentages, and mean scores. The findings indicate that insurgency adversely affects both the establishment and sustainability of small-scale enterprises in Northern Nigeria. Respondents reported that insecurity constrains business creation, discourages investment, restricts commercial mobility, creates uncertainty in long-term business planning, and contributes to business closure. The study concludes that persistent insecurity constitutes an important barrier to entrepreneurship development in the region. It therefore recommends strengthening security capacity, improving surveillance and communication infrastructure, and addressing underlying socioeconomic conditions that may contribute to persistent insecurity.

Keywords: Entrepreneurship, Impact, Insurgency, Machination, Security Challenges.

Introduction

Entrepreneurship development is often positioned as a strategy for addressing unemployment, poverty, and weak income-generating opportunities in Nigeria. Evidence from Nigerian entrepreneurship training and business-support initiatives indicates that such interventions can improve economic well-being, enterprise entry, survival, sales, and employment [1], [2]. Against this background, entrepreneurship training programmes (ETPs) have been promoted by governments, non-governmental organizations, international organizations, philanthropists, and religious bodies as mechanisms for enterprise creation and self-employment.

Despite Nigeria's resource base, persistent development and security constraints continue to limit economic opportunities. Analyses of Nigeria's security-development nexus show that poverty,

unemployment, inequality, governance weaknesses, and insecurity are mutually reinforcing [3], while national security challenges have also imposed substantial costs on economic activity [4]. In this context, ETPs may contribute to enterprise creation, but their effectiveness depends on a stable environment in which individuals can establish and sustain businesses.

The insecurity challenge became more acute with the emergence and escalation of Boko Haram. The 2009 uprising was associated with a broader pattern of religious mobilization and socioeconomic dislocation [5]. Subsequent analyses emphasized governance failure, institutional fragility, and the limitations of purely coercive responses to the insurgency [6].

Boko Haram's activities have also acquired regional and international dimensions. Research has documented cross-border and international aspects of the organization [7], while policy assessments have described its origins, ideology, organization, and patterns of violence [8]. Youth recruitment has been linked to unemployment, poverty, weak governance, and perceptions of injustice [9]. These dynamics have intensified insecurity across Northern Nigeria and complicated peace-building and economic recovery.

In Northern Nigeria, the insurgency has involved attacks on government institutions, communities, markets, schools, and other civilian targets. Akinbi [10] described the persistence of the crisis and the difficulties of achieving a durable resolution. Evaluations of Nigeria's response have further highlighted the challenges of counterterrorism strategy [11] and the regionalization of the conflict within the Lake Chad basin [12].

Broader policy analyses similarly show that Boko Haram has generated extensive humanitarian, security, and governance pressures. The International Crisis Group [13] documented the evolution and consequences of the insurgency, while Perouse de Montclos [14] emphasized its political and institutional complexity. Public-opinion evidence identifies unemployment, poverty, political grievances, and religious extremism among perceived drivers of the conflict [15]. Studies of military counterinsurgency also point to operational, institutional, and accountability constraints that affect the effectiveness of the security response [16].

The economic consequences are particularly important for entrepreneurship. The North-East Nigeria Recovery and Peace Building Assessment documented widespread losses to livelihoods, infrastructure, markets, and productive activity [17]. Research focused directly on the business environment reports that Boko Haram violence disrupts market access, banking services, mobility, and entrepreneurship [18]. Firm-level evidence further shows that exposure to insurgent attacks can reduce firm performance [19], while insecurity more generally discourages investment and raises operating risks for businesses in Nigeria [20].

Kidnapping has also become a major component of Nigeria's insecurity landscape. Empirical and conceptual analyses identify poverty, unemployment, corruption, terrorism, and weak security institutions as important factors associated with kidnapping and document substantial social and economic consequences [21]. The abduction of schoolchildren in north-western Nigeria illustrates the broader disruption to families, communities, and social institutions generated by insecurity [22].

Education and human-capital development are likewise affected. Evidence from Northern Nigeria indicates that Boko Haram violence adversely affects school attendance and the operation of educational institutions [23]. Such disruptions have indirect economic implications because entrepreneurship training, skill formation, and business development depend on safe and accessible educational and training environments.

Although a substantial literature examines Boko Haram from security, political, and social perspectives, fewer studies focus specifically on the consequences for small-scale business establishment and continuity in affected communities. Qualitative evidence from Adamawa State shows that displacement and insecurity constrain small-scale traders and their coping strategies [24], while more recent survey evidence from north-eastern Nigeria reports adverse effects of insecurity on SME profitability, growth, operating costs, and business continuity [25]. The present study therefore examines the impact of insurgency on entrepreneurship machinations in Northern Nigeria, with particular attention to the establishment and sustenance of small-scale enterprises.

Methods

This study employed a descriptive survey research design to examine the perceived impact of insurgency on entrepreneurship in Northern Nigeria. The study population comprised entrepreneurs operating across the eighteen states in the region. A total of 810 respondents participated in the study, with 45 respondents selected from each state using a snowball sampling technique. The study was guided by two research questions focusing on the establishment and sustainability of entrepreneurial ventures under conditions of insurgency.

Data were collected using a researcher-developed instrument entitled the *Questionnaire on Insurgency Impact on Entrepreneurship Machination in Northern Nigeria* (QIEMNN). The questionnaire was structured on a four-point Likert scale consisting of Strongly Agree (SA), Agree (A), Disagree (D), and Strongly Disagree (SD), scored 4, 3, 2, and 1, respectively. The instrument was designed to capture respondents' perceptions of how insurgency affects business establishment, operational continuity, investment decisions, mobility, and entrepreneurial activities.

Content validity of the instrument was assessed by two experts in Measurement and Evaluation. Reliability was determined using the test-retest method, with the instrument administered twice at a two-week interval. The procedure yielded a reliability coefficient of 0.71, indicating acceptable consistency. Data collected from the respondents were analysed using descriptive statistics, including frequency counts, percentages, and mean scores. A cut-off mean of 2.50 was used to guide interpretation of the questionnaire items and decisions regarding the two research questions.

Results

A. Research Question One: Does insurgency have an impact on the establishment of small-scale enterprises in Northern Nigeria?

Table 1 summarizes respondents' perceptions of how insurgency affects the establishment of small-scale enterprises in Northern Nigeria.

The results present frequencies, percentages, mean scores, and decision outcomes for eight items, using 2.5 as the cut-off point for interpretation of the responses.

Table 1. Simple percentages, frequency counts, and Mean (N = 810; C = 2.5)

S/N	Items	Freq/ Percentage				N	Mean	Decisions
		SA	A	D	SD			
1	Does insurgency make your environment safe for business creation?	10 1.23	41 5.06	96 11.85	663 81.85	810	1.25	Rejected
2	Insurgency makes it difficult to establish a business in my environment	701 86.54	39 4.81	61 7.53	9 1.11	810	3.76	Accepted
3	Entrepreneurs are often the target of Boko-Haram	598 73.82	139 17.16	52 6.41	21 2.59	810	3.62	Accepted
4	Boko Haram activities have no negative effect on entrepreneurs	5 0.61	19 2.34	29 3.58	757 93.45	810	1.10	Rejected
5	Many investors are not willing to invest in business due to insurgency	711 87.77	63 7.77	21 2.59	15 1.85	810	3.81	Accepted
6	Despite insurgency, there is still investment in business	3 0.37	61 7.53	33 4.07	713 88.02	810	1.20	Rejected
7	Insurgency is affecting people's movement for business activities	701 86.54	99 12.22	4 0.49	6 0.74	810	3.84	Accepted
8	Despite kidnapping, people are still moving from one place to another for business activities	7 0.86	99 12.22	66 8.14	638 78.76	810	1.35	Rejected
Weighed Mean		2,736 42.22	560 8.64	362 5.58	2,822 43.54		2.50	Accepted

Remark:

N = Total Number of Respondents, C = Cut-off point, SA = Strongly Agreed, A = Agreed, D = Disagreed, SD = Strongly Disagreed, $\bar{X}$ = Mean

Table 1 presents findings on research question one. On item (1), the following responses were obtained: 10 (1.23), 41 (5.06), 96 (11.85), and 663 (81.85) for strongly agreed, agreed, disagreed, and strongly disagreed. On item (2), responses were as follows: 701 (86.54), 39 (4.81), 61 (7.53), and 9 (1.11) for strongly agreed, agreed, disagreed, and strongly disagreed. On item (3), 598 (73.82), 139 (17.16), 52 (6.41), and 21 (2.59) for strongly agreed, agreed, disagreed, and strongly disagreed. On item (4), the responses obtained were 5 (0.61), 19 (2.34), 29 (3.58), and 757 (93.45) for strongly agreed, agreed, disagreed, and strongly disagreed, respectively.

On item (5), the following responses were obtained: 711 (87.77), 63 (7.77), 21 (2.59), and 15 (1.85) for strongly agreed, agreed, disagreed, and strongly disagreed. On item (6), the responses were 3 (0.37), 61 (7.53), 33 (4.07), and 713 (88.02) for strongly agreed, agreed, disagreed, and strongly disagreed. On item (7), the following responses were obtained: 701 (86.54), 99 (12.22), 4 (0.49), and 6 (0.74) for strongly agreed, agreed, disagreed, and strongly disagreed, respectively. On item (8), the responses were 7 (0.86), 99 (12.22), 66 (8.14), and 638 (78.76) for strongly agreed, agreed, disagreed, and strongly disagreed, respectively.

However, the weighted mean of the results shows that the average rating scale ($\bar{X}$ = 2.5) was lower than the mean ($\bar{x}$) of the average rating scale of four ($\bar{x}$ = 2.49). Thus, indicates that insurgency hurts the establishment of small-scale enterprises in Northern Nigeria.



B. Research Question Two: Can insurgency influence the sustenance of business ventures in Northern Nigeria?

Table 2 summarizes respondents' perceptions of the influence of insurgency on the sustainability of business ventures in Northern Nigeria. It presents frequencies, percentages, mean scores, and decision outcomes for eight items, with a cut-off mean of 2.5 used for interpretation.

Table 2. Simple percentages, frequency, count and mean (N = 810; C = 2.5)

S/N	Items	Freq/ Percentage				N	Mean	Decisions
		SA	A	D	SD			
1	Insurgency makes me have long-term plan operations and business activities	9 1.11	10 1.23	12 1.48	779 96.17	810	1.07	Rejected
2	Insurgency does not allow me to have a long-term plan for the operations business	661 81.60	37 4.56	62 7.65	50 6.17	810	3.61	Accepted
3	Insurgency creates security for business	23 2.83	19 2.34	35 4.32	733 90.43	810	1.17	Rejected
4	Insurgency does not make the environment secure for business	691 85.30	69 8.51	31 3.82	19 2.34	810	3.76	Accepted
5	Kidnapping created fear for entrepreneurs to develop their business	736 90.86	56 6.91	9 1.11	9 1.11	810	3.87	Accepted
6	Despite fear and tension unleashed by Boko Haram, people are still investing in business	9 1.11	66 8.14	733 90.43	2 0.24	810	2.10	Rejected
7	Insurgency has made many people close their businesses	729 90.0	59 7.28	11 1.35	11 1.35	810	3.85	Accepted
8	Despite the Boko Haram onslaught, many people do not close their businesses	10 1.23	31 3.82	71 8.76	698 86.17	810	1.10	Rejected
Total Average		2868 44.25	347 5.35	964 14.87	2,301 35.50		2.57	Accepted

Remark

N = Total Number of Respondents, C = Cut-off point, SA = Strongly Agreed, A = Agreed, D = Disagreed, SD = Strongly Disagreed, $\bar{X}$ = Mean

Table 2 above shows the findings on research questions as follows: on item (9), the following responses were obtained: 9(1.11), 10(1.23), 12(1.48) and 779(96.17) for strongly agreed, agreed, disagreed, and strongly disagreed, respectively. On item (10), 661(81.60), 37(4.56), 62(7.65), and 50(6.17) for strongly agreed, agreed, disagreed, and strongly disagreed. On item (11), the responses were 23(2.83), 19(2.34), 35(4.32), and 733(90.43) for strongly agreed, agreed, disagreed, and strongly disagreed. On item (12), responses were, 691(85.30), 69(8.51), 31(3.82), and 19(2.34) for strongly agreed, agreed, disagreed, and strongly disagreed on item (13), 736(90.86), 56(6.91), 9(1.11), and (9.11) for strongly agreed, agreed, disagreed, and strongly disagreed, respectively. On item (14), the following responses were obtained: 9(1.11), 66(8.14), 733(90.43), and 2(0.24) for strongly agreed, agreed, disagreed, and strongly disagreed. On item (15), the responses were 729(90), 59(7.28), 11(1.35), and 11(1.35) for strongly agreed, agreed, disagreed, and strongly disagreed. On item (16), the following responses were got: 16(1.23), 31(3.82), 71(8.76), and 698(86.17) for strongly agreed, agreed, disagreed, and strongly disagreed. The weighted mean of the results reveals that average rating scale of four ($\bar{x}$ = 2.5) was not lesser than the mean ($\bar{x}$) of the average rating scale of four ($\bar{x}$ = 2.50) thus, reveals that insurgency has no negative impact on sustenance of business venture in the Northern, Nigeria.

Discussion

The findings for research question one indicate that insurgency has a substantial negative impact on the establishment of small-scale enterprises in Northern Nigeria. Respondents reported that insecurity makes business creation more difficult, discourages potential investors, and restricts the movement of people involved in commercial activities. These conditions are particularly problematic for small-scale enterprises because their survival often depends on regular customer access, local supply networks, mobility of goods and workers, and confidence in the surrounding business environment. The result is consistent with previous evidence showing that Boko Haram insurgency has disrupted markets, banking services, transportation, and entrepreneurial activities in affected communities [18]. It also supports broader findings that persistent insecurity can weaken private investment and reduce economic activity by increasing uncertainty and perceived business risk [20]. At the firm level, previous analysis has demonstrated measurable declines in business performance among firms located closer to areas affected by Boko Haram attacks [19]. Recent studies focusing on small and medium-sized enterprises in Adamawa and other parts of North-Eastern Nigeria have similarly documented displacement, declining profitability, increased operating costs, and difficulties in maintaining normal business operations under conditions of insecurity [24], [25].

The findings for research question two further indicate that insurgency undermines the sustainability of existing business ventures. Respondents associated insurgency with fear, insecurity, business closure, and difficulties in developing long-term operational plans. This suggests that the effects of insurgency extend beyond the initial decision to establish a business and influence the capacity of entrepreneurs to sustain their ventures over time. Long-term business planning requires a reasonable degree of predictability regarding market access, security of assets, movement of customers and employees, and continuity of supply. When these conditions are disrupted, entrepreneurs may become reluctant to expand, reinvest profits, employ additional workers, or maintain operations in highly insecure areas. This interpretation is supported by evidence documenting extensive damage to livelihoods, productive assets, markets, and local economic systems in North-Eastern Nigeria [17]. Previous studies have also shown that insecurity reduces entrepreneurial confidence and constrains business continuity, particularly among enterprises with limited financial reserves and weak capacity to absorb unexpected losses [18], [25].

Taken together, the findings suggest that security conditions are closely connected to both enterprise formation and business sustainability in Northern Nigeria. Persistent insurgency may therefore create an environment in which potential entrepreneurs postpone business entry while existing entrepreneurs reduce operations, relocate, or close their businesses entirely. This pattern may have broader socioeconomic consequences because small-scale enterprises contribute to employment generation, household income, and local economic activity. The findings consequently reinforce the importance of integrating security improvement with entrepreneurship and regional development policies.

Nevertheless, the results should be interpreted cautiously. The study is based on descriptive survey data and entrepreneurs' reported perceptions. It therefore identifies perceived patterns of association rather than establishing a causal relationship between insurgency and business outcomes. Future studies could strengthen the evidence by incorporating longitudinal data, objective business-performance indicators, geographical measures of exposure to insurgent attacks, and comparative analyses across regions with different levels of insecurity.

Conclusion

This study concludes that insurgency, particularly Boko Haram activities, has adversely affected the establishment and sustainability of entrepreneurial ventures in Northern Nigeria. Persistent insecurity restricts mobility, discourages investment, increases fear among entrepreneurs, and creates an unfavorable environment for business planning and continuity. The findings indicate that small-scale enterprises are especially vulnerable to threats, kidnapping, and instability, which reduce confidence in starting or maintaining businesses. Strengthening security is therefore essential for improving entrepreneurial activity in the region. Government interventions should address both immediate security challenges and underlying socioeconomic conditions, including unemployment and poverty, to support safer and more sustainable entrepreneurship development.

Recommendations

Based on the findings, the Nigerian government should strengthen comprehensive security measures to reduce insurgency and create a safer environment for entrepreneurial activities in Northern Nigeria. This should include increasing the capacity of military and security personnel, providing modern communication and surveillance equipment, and improving mechanisms for monitoring insurgent activities. In addition, underlying factors associated with insecurity, including poverty, unemployment, corruption, weaknesses in the judicial system, and unequal distribution of national resources, should be addressed through appropriate socioeconomic policies. Government institutions and other providers of entrepreneurship training programmes should also ensure adequate security at training centres. Furthermore, peace education should be promoted through formal, non-formal, and informal channels to encourage peaceful coexistence and discourage criminal activities.

Conflict of Interest

The authors declare no conflict of interest.

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