

groups operating under such names as Egbesu Boys, Movement for the Survival of the Ijaw Ethnic Nationality (MOSEIN), Joint Revolutionary Council, MENBUTU, Niger Delta Volunteer Force and the Movement for the Emancipation of the Niger Delta (MEND). The activities of these groups included kidnapping especially kidnapping of foreign nationals working with multinational oil companies and destruction of oil installation. This have impacted the monolithic Nigerian economy and also affected the inflow of FDI which is needed for the country economic growth and development (Nwogwugwu, Alao and Egwuonwu, 2012).

Similarly, the North East part of Nigeria has not been a good recipient of FDIs due to the activities of Boko-Haram terrorist group and armed bandits. Agomuo (2011:48) stated that Boko-Haram activities has become a national disgrace and of international concern. Awortu (2015) argued that Boko-Haram insurgency in the Northern have led to people abandoning their businesses, closure of banks and government parastatals amongst other issues. National security challenges in Nigeria are beyond the activities of Boko Haram insurgency. There are internal boundary crises among warring communities, kidnapping, banditry, farmer/herder clashes and even crisis of self-determination. This plethora of national security challenges across the country has made insecurity to reach a boiling point thereby thwarting the flow of FDIs into the country. This plethora of national security challenges across the country has made insecurity to reach a boiling point whereby thwarting the flow of FDIs into the country. Banditry, kidnapping and other forms of social conflicts have constituted national security challenges. In 2022 Nigeria was placed at 10th position on global rating on security threats (theglobaleconomy.com). The North West has become epicenter of banditry, kidnapping and farmer/herder clashes while North Central is hub for kidnapping and highway robbery. National security challenge does not only breed

uncertainty in the investment and financial climate, it also increases security cost. It also reduces output and productive capacity, reduces tourism attraction, increase damage to physical infrastructure and dislocation and distortion in the flow of FDI. These no doubt has severe implication for economic growth and development for emerging economies like Nigeria (Agaba & Naomi). 2019. CBN report (2011) indicates 78.1% decrease in outside investment and 87.2% expansion in portfolio venture into the Nigerian economy to exploit the misery in the Nigeria securities exchange (Afolabi 2015).

1.2 Research problem

The national security of a country is very important, as it may influence pace of FDI flow, development and economic and political stability. Nigeria as the giant of Africa should have been the continent hub of FDI. Unfortunately, the reverse is the case as there seems to be reduction of FDI, while some established multinationals are also relocating to neighbouring West-Africa countries due to increase threat of national security in Nigeria particularly the increase activities of Boko-Haram, Armed bandit, Delta militant, herder/farmer clashes. The nature of Nigeria national security challenges is problematic due to the failing security situation and the increase activities of insurgencies, separatist, militancy and criminal groups. Another identified problem is the consequence of national security challenges in Nigeria, for instance the North-east and North-West of Nigeria are hostile investment environment due to the increase activities of Boko-Haram and armed banditry. Foreign and local investors will be scare to invest in hostile business environment. The cost of doing business has increase astronomically while life and properties were lost due to the complex nature of Nigeria national security challenges. In fact, more than 30000 persons have been killed due to the complex nature of national security in a decade (Ibrahim 2019). This study aimed at assessing the national security challenges in the country

and how it affects the flow of foreign direct investment into the country.

1.3 Aim and Objectives

The aim of this study is to determine the impact assessment of national security challenges on the foreign direct investment in Nigeria. The objectives are:

- i. To examine the nature of Nigeria national security challenges
- ii. To evaluate the causes of national security challenges in Nigeria
- iii. To examine how national security challenges impact Nigeria quest for FDIs
- iv. To proffer solution to Nigeria national security challenges.

1.4 Research question

- I. is there any significant relationship between national security challenge and FDI
- ii. What is the nature of national security challenges in Nigeria?
- iii. What are the causes of national security challenges in Nigeria?
- iv. Do the national security challenges of Nigeria impact her quest for FDI?

2. Conceptual and empirical review

Mbachu and Eze (2009) security goes beyond just well-being of the citizen. It must include capacity building of the people or populace through education, training and re-training to be able to maintain sustainable development. Onucheyo (1996) quoted President J.F Kennedy of the United States that “our progress as a nation can be no swifter than our progress in education. Buzzan (1983) argues that security binds together individuals, state, and the international system so closely that it demands to be treated in a holistic perspective, attempt to treat security on any single level invites serious distortions of this perspective.

Mbachu and Eze (2009) noted that security is a multidimensional issue. The dimension and level on which the concept and respective politics are based can be specified as

political and military, external and internal, social and economic. That is, national security encompasses all necessary factors that bring security to a nation. Security solution is not limited to deter external attacks, as other dimension could be more dangerous. Mbachu and Eze (2009) pointed out that:

the great danger to national security outside external aggression, is individual, family or community insecurity brought about by preventable or avoidable social conditions of poverty, food insecurity, unemployment, communal strife, inequity, oppression, lack of justice... condition that can easily leads to indiscipline, loss of trust in authority, frustration, apathy, desperation, agitation, anarchy, lawlessness and violent conflict.

Mbachu and Eze (2009) opined that security measures must be directed towards immaterial objects like the life style, culture, freedom, identity and the protection of nature. National security also involves the protection against internal and external threats and preserving sovereignty over territory. If a government cannot ensure security, rebellious armed groups or criminals non-state actors may use violence to exploit this security gap (Duru 2010). The absent of national security give rise to anarchy and insecurity and insecurity is a feeling of inadequacy not being good enough and uncertainty (Alobo 2006).

As from this literature on security and its attendant issues, with regards to the Nigeria climate, FDI can be considered as the ownership of 10 percent or more of the ordinary shares or voting stock of an enterprise, which is usually considered to indicate significant influence by an investor (IMF, 2000). According to World Bank (2004), FDI is that foreign investment that establishes a lasting interest in or effective management control over an enterprise. OECD (2008) noted that FDI is the net inflows of investment undertaken to acquire a lasting management interest (10% or more

of the voting stock) in a firm conducting business in any other economy but the investor's home country. Adeleke, K. M., Olowe, S. O. & Fasesis (2014) view FDI as a direct investment into production or business in a country by an individual or company of another country, either by acquiring a company in the target country or by expanding existing business operations in that country.

Slaughter and May (2012) noted that foreign investor may acquire voting power of an enterprise in an economy through incorporating a wholly owned subsidiary or company in the country, acquisition of shares in an associated enterprise, via merger or acquisition of an unrelated business enterprise and through participation in an equity joint venture with another investor. Aro (2012) posited that FDI can promote economic growth because it provides financial resource for a country and it increase competitiveness in global market. Alfaro (2003) conducted the similar research about how FDI in primary, manufacture and service sector affect economic growth; he pointed out the fact that inflow of FDI in different sector will affect economic growth differently. Bakare (2010) argued that FDI eases overseas affiliates with parent company through provision of appropriate human and material resources, reduces the host countries propensity to import, and facilitates efficient allocation of production resources, among others.

The unpredictability of autonomous FDI flows, in both scale and direction, has generated a substantial research effort to identify their major determinant. Awortu (2015) identified the Size of the market as determinant. FDI has been concentrated in China for over 90% in the coastal areas as result of the size of market (Broadman and Sun 1997). Gilbert (2014) identified labour costs and productivity as a determinant. He further argued that the decision to invest in China has been heavily influenced by the prevailing low wage rate. Igbuzor (2011) noted that political risk is determining

factors. While Ashiru (2013) identified infrastructure he revealed this in his studies in China that transport facilities and proximity to major ports have significant positive effect on the location of FDI within the country. Ayanwale (2007) argued that poor infrastructure can however stand as obstacles and opportunity for FDI.

Ewetan, and Urhie (2014) argued that insecurity obstructs business exercises and debilitates distant and close financial consumers. Adegbam, (2013) in his investigation opined that insecurity is inconvenient to the general prosperity of the individuals, and prompts the obliteration of business, properties, and migration of projects. Udeh, and Ihezue, (2013) note that insecurity challenges in Nigeria's hinder national economic improvement and development. Achumba, et al (2013) in their investigation of insecurity in Nigeria and their suggestion for business investment and maintainable advancement notes that insecurity challenges in the nation are colossal and complex, which remain a problem to development if the circumstance stays unabated. Gambari (2018) contended that the herders/farmers violence conflict had destroyed the basic of the nation's resources, because there is hardly any different between the herder's arm militia and boko-haram, they both have cause damage to the Nigeria society where the herdsmen/farmer clashes have led to the displacement of people and some jobless and destitute.

The perennial political instability in Niger, Chad and Mali also indirectly serves as threat to Nigeria national security. This no doubt contributes in fueling of the insurgency in the north-east (Afolabi 2015). Okonjo-Iweala and Osafo-Kwaako (2007) argued that improving the country budgetary planning and execution, and providing a platform for sustained economic diversification and for the growth of the nonoil sector are effective panacea to woo foreign investors.

Methodology

This paper adopted survey research design for its study. The sampled population comprised of academia, entrepreneurs and military personnel and students of Yaba College of Technology. Convenient sampling technique was used among particular profession and perceived age

bracket. 150 questionnaires were administered to respondents. It is pertinent to note that out of the 150 questionnaires administered 144 copies were filled, returned and analyzed using descriptive tool e.g. frequency count, simple percentage and bar.

Result

S/N	VARIABLE	FREQUENCY	F (%)
1	Gender Male Female Total	75 69 144	52 48 100
2	Age 20-29 30-39 40-49 50-59 60 above Total	44 38 33 21 8 144	31 26 23 15 5 100
3	Educational qualification OND/NCE HND/BSC MSC/PhD Total	60 56 28 144	42 39 19 100
4	Occupational/profession Academia Military entrepreneurs student total	25 18 23 78 144	17 13 16 54 100
5	Is there any significant relationship between national security and FDI? Yes No Undecided Total	99 32 13 144	69 22 9 100
6	Does the Nigeria national security challenge has distinctive nature? Yes No Undecided Total	105 35 4 144	73 24 3 100
7	Does the national security challenge thwart Nigeria quest for FDI? Yes No Undecided Total	115 17 12 144	80 12 8 100

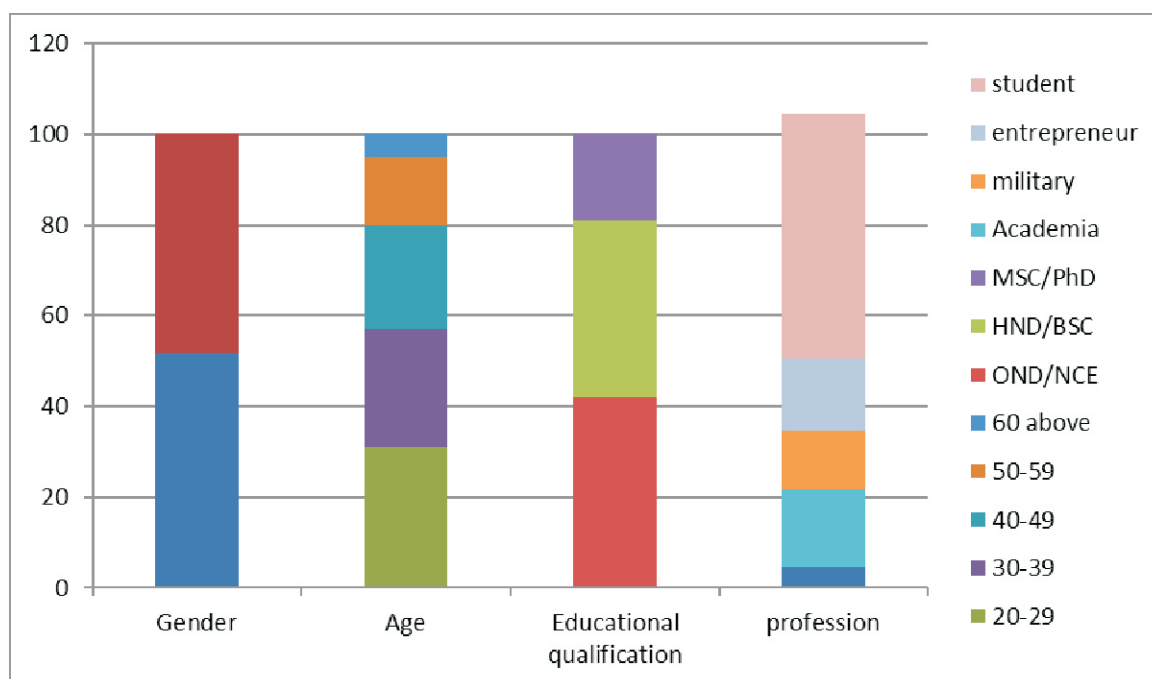
8	Does the challenges of national security impact FDI flow in Nigeria? Yes No Undecided Total	123 19 2 144	86 13 1 100
9	Rate the impact of security challenges to FDI in Nigeria? Good Bad worse Total	9 48 87 144	6 33 61 100
10	Is there decline in the flow of FDI in Nigeria? Yes No Undecided Total	127 14 4 144	88 10 2 100
11	Is there any deliberate effort from the government in reducing the tide of security challenges in Nigeria? Yes No Undecided Total	78 64 2 144	54 44 2 100
12	Is there possible solution to national security challenges and decline in FDI in Nigeria? Yes No Undecided Total	126 14 2 144	88 10 2 100

Result

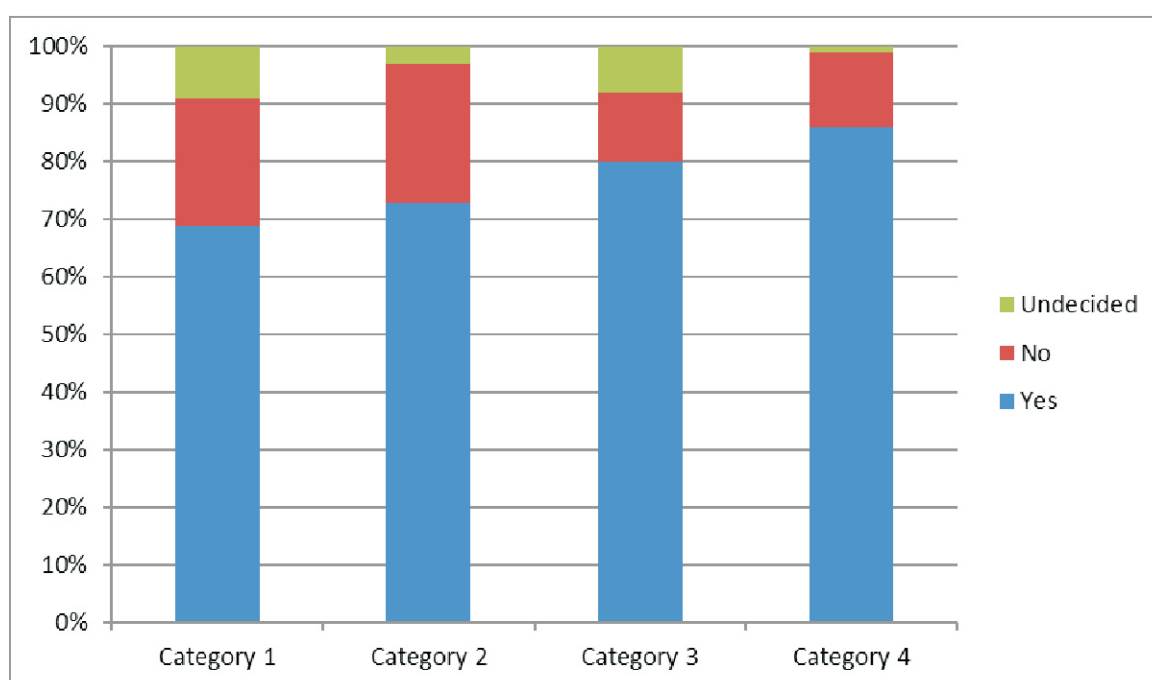
Table 1 above and bar chart 1 below represent the demography data of respondents. From the bar chart it is obvious that 52% of the respondents are males while 48% represents the female gender. On the age bar 31% of the population that fall within the age bracket of 20-29 are mainly youth likewise 26%% of the population that fall within the age-bracket of 30-39 are youthful with knowledge of national security and FDI, while 23% represent 40-49, 15%

represent 50-59 and lastly 60 above have historical knowledge and experience of national security challenges and FDI.

It is obvious from the bar of education that 42% (OND/NCE), 39% HND/BSC and 19% MSC/PhD. These respondents are educated and enlightened enough to make rational decisions about the subject matter. From the bar of profession 17% of the respondents are academia, 13% military, 16% entrepreneurs and 54% students indicating they are actively engage.



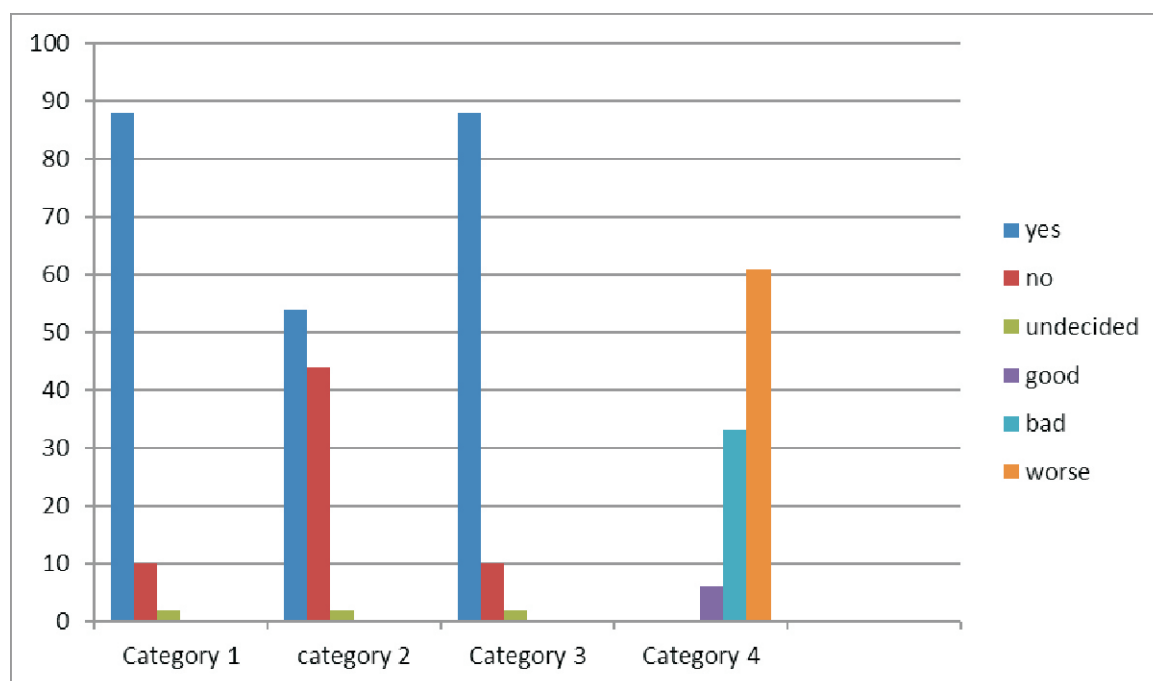
Bar chart (1)



Bar chart 2

From the bar chart (2) category (1) which is on the relationship between national security and FDI 69% of the population that registered yes, 22% No and 9% undecided. This indicates that there is a significant relationship between national security challenge and FDI. On the category (2) which is on the distinctive nature of national security challenges, it is not surprising that

about 73% that registered Yes were of the view that Nigeria national security challenge is distinctive. The category (3) bar (3) is on the whether or not that national security challenges thwart the flow of FDI 80% agreed to it. On the category (4) which is on the impact of national security on FDI 86% affirm it has negative impact while 13 objected to that opinion.



Bar chart 3

From the bar (3) above, category (1) is on whether or not there is decline in FDI as result of insecurity 88% were of the view that there is decline. On the category (2) is on whether there are deliberate effort by the government to reduce the incident of insecurity 54% assigned yes while 44% registered No and 2% undecided. On the category (3) is on the possible solution to the plethora of insecurity challenges and decline in FDI 88% opined that there are solutions. The category (4) is on the rating of the impact level of insecurity on FDI 6% rated it good, 33 rated it bad and 66% rated it worse, indicating it negative impact on the flow of FDI

Discussion of result

The study established that there is negative relationship between national security challenges and FDI in Nigeria as supported by (Alobo 2006, Mbachu & Eze 2009 and Duro 2010). It observed that the nature of Nigeria national security challenges is distinctive due to the nature and character of the Nigeria state. These national security challenges impact the flow of FDI into the country (Gazama, etal 2018), where he noted that the ugly insecurity situation has resulted in the slow and low inflow of FDI and even

goods into some states in the country thereby creating scarcity resulting in exorbitant prices of goods such as building materials, food stuff, and fruits, medical and pharmaceutical equipment. This is rather baffling. With the current state of Nigeria national security challenges, it has resulted into increase in crime rate in the country, the country state economy is dwindling by the day and this in itself is a cause for worry because it has led to unemployment and poverty which in turn create a base for criminal recruitment that fuelled the desire to acquire a SALW whereby thwarting the country foreign policy on wooing more FDIs. The declined in FDI into Nigeria have reflected in the bad and worse rating of Nigeria due to her challenging national security issues. The study concluded that there are implementable solutions to plethora of national security facing the country driver for FDI

Conclusion

State confronted with myriad of security challenges cannot necessarily woo both domestic and foreign investor and the flow of FDI, because every entrepreneur or investor wants to invest in an economy of relative stability and peace. The study noted that there is close negative relationship

between national security challenge and FDI, these include Boko-Haram insurgency, armed banditry, kidnapping and other heinous crimes have wreak devastating havoc on Nigeria economy and society which further affect the country drive for the flow of FDI. The study discovered that the level of security in Nigeria is worse and it is a major factor limiting national development in Nigeria. The study found that the nature of Nigeria national security challenges is complex and contradictory base on the nature and character of the state. The study observed that the Nigeria security challenges thwart the country quest of increase flow of FDI and that the national security challenges confronting the country is quite distinctive, indicating its uniqueness, complexity, contradiction and intricacies of her national security challenges. The impact of these challenges of national security on FDI are huge, it distorts, dislocate and thwarted the country quest for economic growth and development, industrialization and modernization drive. It frustrates effort of investors and ruins their investment; it resulted into increase in unemployment and crime rates. No doubt these national security challenges also discourages investors from investing in the country and encourages those that have investment to relocates to neighbouring countries for instance Michelin and Dunlop, other have shut down or folded. And these have a monumental consequence on the living standard of citizens. The study concludes that there are substantive solutions to the plethora of national security challenges bedeviling the country.

6.3 Recommendation

i. There should be comprehensive national reorientation on the attitude of Nigerians towards security of the country that security is every citizen business and putting the country security and economic progress first will lead to a better and secure business and economic environment.

ii. There should proactive kinetic and non-kinetic approach to national security challenges.

iii. The government should reduce the level at which her national security challenges affect her drive on the flow of FDI by ensuring safe and easy way of doing business, ensuring better economic policy and infrastructures that will attract foreign investors and FDI into the country. The government has to decisively fight against the menace of terrorism, insurgency, armed banditry, kidnapping, armed robbery, herder-farmer clashes among other.

v. There should be an effective security data bank to facilitate storage and classification of every aspect of security information for the country.

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