

**THE IMPACT OF '*BOKO HARAM*' ON TRADE IN
NORTH-EAST NIGERIA 2009-2015**

by

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LIST OF ABBREVIATIONS

AQIM	Al-Qaeda in the Islamic Maghreb
BH	<i>Boko Haram</i>
CBN	Central Bank of Nigeria
CJTF	Civilian Joint Task Force
FIRS	Federal Inland Revenue Service
IEDs	Improvised explosive devices
IS	Islamic State
MNJTF	Multinational Joint Task Force
NE	North East
NEMA	National Emergency Management Agency
NEPT	National Focal Point on Terrorism
NSA	National Security Adviser
ONSA	Office of the National Security Adviser
PCSCNEZ	Presidential Committee on Security Challenges in the North-East Zone
TPA	Terrorism Preventive Act
UNICEF	United Nations International Children Emergency Fund
USAWC	United States Army War College

**KESAN ‘*BOKO HARAM*’ KE ATAS PERDAGANGAN DI TIMUR LAUT
NIGERIA 2009-2015**

ABSTRAK

Keganasan telah menjadi fenomena di dunia yang menyebabkan ancaman berterusan kepada pembangunan dan kemanusiaan. Rantau Timur Laut Nigeria (NE) telah digugat oleh aktiviti pengganas *Boko Haram* (BH) sejak satu dekad yang lalu. Isu ini telah memberi kesan yang berterusan terhadap pertumbuhan dan pembangunan di kawasan NE. Antaranya ialah kemerosotan cukai (hasil kerajaan) yang dijana melalui perdagangan dan pelaburan serta perdagangan import dan eksport. Oleh kerana peningkatan aktiviti pengganas BH dan perpindahan beberapa ribu penduduk kawasan NE, matlamat pertama kajian ini adalah untuk menganalisis sifat serangan dan ancaman yang dihadapi oleh pelabur dalam kawasan NE oleh pengganas BH. Tujuan yang kedua adalah untuk menganalisis bagaimana aktiviti pengganas mempengaruhi perdagangan tempatan serta import dan eksport di kawasan NE. Yang ketiga adalah untuk menekankan strategi yang dijalankan oleh kerajaan pusat Nigeria bagi mengatasi kegiatan pengganas BH. Kajian ini menggunakan kaedah penyelidikan kualitatif dan analisis kandungan secara eksklusif. Teori *Frustration-Aggression* telah digunakan bagi menghubungkan punca berlakunya keganasan BH dan membuat inferens yang sesuai untuk menggambarkan satu pemahaman jelas tentang senario di rantau NE. Penyelidik telah mengutamakan penggunaan Microsoft Excel sebagai alat untuk menganalisis dan memeriksa beberapa set data kuantitatif yang diperolehi melalui sumber kedua dan menyokongnya dengan set data kualitatif. Keputusan kajian ini menunjukkan bahawa serangan pengganas BH memberi kesan yang drastik kepada ekonomi di

kawasan NE khususnya dan Nigeria secara umumnya (dalam aliran pendapatan negatif daripada perdagangan dan cukai perniagaan). Hal ini dapat melemahkan keyakinan pelabur untuk melabur di kawasan NE dan seterusnya membawa kepada kerugian perdagangan dan perniagaan serta penutupan beberapa usaha niaga. Kajian ini mengenalpasti statistik serangan yang direkodkan di antara tahun 2009-2015: serangan bersenjata 64%, serangan bom 35% dan serangan penculikan 1%. Kajian ini mendapati bahawa antara tahun 2013 dan 2014, BH merupakan kumpulan pengganas yang paling berbahaya di dunia, dengan statistik pembunuhan yang lebih banyak daripada ISIS, Taliban, Al-Shabaab dan kumpulan pengganas radikal lain. Kerajaan pusat Nigeria telah mengalami kerugian berjuta-juta Naira dan hal ini menyebabkan kejatuhan ekonomi Nigeria. Kesan daripada keganasan tersebut masih lagi dirasai. Nigeria semakin menuju ke arah kemelesetan ekonomi hasil daripada keadaan tidak terjamin yang disebabkan oleh pengganas. Penyelidik mencadangkan agar strategi berpusatkan masyarakat digalakkan untuk menghalang kemasukan ahli kumpulan BH dan seterusnya menyekat aktiviti-aktiviti keganasan BH.

THE IMPACT OF ‘*BOKO HARAM*’ ON TRADE IN NORTH-EAST NIGERIA

2009-2015

ABSTRACT

Terrorism has become a global phenomenon, which poses a threat to the development and continuous human existence. Nigeria’s North-East region (NE) has been ravaged by the “*Boko Haram*” (BH) terrorist activities over the past decade. This has persistently affected growth and development in the NE, particularly in terms of constant decline in taxes (government revenue) generated through trade and investments as well as import and export businesses. Therefore, due to the rise in the BH terrorist activities and the displacement of several thousands of inhabitants of the NE region, this study aims to firstly explore the nature of attacks and threats faced by investors in the NE by the BH terrorists. Secondly, this is also aimed at analyzing how the terrorist activities affect the local trade, as well as the import and export trade in the NE. While thirdly, to highlight the strategies by the Federal Government of Nigeria to overcome the BH terrorist activities. The study utilizes qualitative research method and uses content analysis exclusively. Meanwhile, the Frustration-Aggression theory is required to connect the root of BH and make suitable inferences that will portray a clear-cut comprehension of the scenario in the NE region. The researcher primarily employs Microsoft Excel as a tool to analyze and examine some sets of quantitative data collected through secondary sources and supplement them with sets of qualitative data. The results revealed that BH terrorist attacks have drastically affected the economy of both the NE region and Nigeria at large (in terms of negative revenue flow from trades and businesses tax); weakens investor confidence to invest in the NE region and further attributed to trade and business

losses as well as closure of some ventures. The results additionally discovered that the statistics of attacks recorded from 2009-2015 ranged from gun attacks 64%, bomb attacks 35% and kidnapping attacks 1%. The study discovered that between 2013 and 2014, BH was the most lethal terrorist group in the world, with statistics of killing more than ISIS, Taliban, Al-Shabaab and other radical terror groups. Additionally, these have led to a loss of billions (of Naira in revenue yearly) for the Federal Government of Nigeria, where the outcome is being felt with enormous knocks on the economy. As the consequences linger, Nigeria is partially heading towards recession as an outcome of insecurity posed by terrorism. The researcher recommends the promotion of a community-centric strategy aimed at denying BH members safe bases to plan and stage attacks as one of the panaceas.

CHAPTER ONE

INTRODUCTION

1.1 Introduction

Today's world is characterized by rising cases of violent crimes affecting many countries. The situation constitutes a very worrisome development on the global community. Regrettably, terrorism has taken centre-stage in the global upsurge of violent crimes. Over the past decade, different forms of domestic and international terrorism have been witnessed around the world.

Boko Haram insurgency has been a major threat to the Nigerian state since 2009, killing thousands of people and causing wanton destruction of both private and public property worth billions of naira. Being an anti-government establishment, *Boko Haram* has directed its attacks on the security agencies and government institutions which it believed were bastions of injustice, corruption and maladministration. This is derived from the extremist sect's abhorrence of western education, civilization and values and its bid to Islamize the country. The Islamist sect had unleashed terror attacks on the innocent citizens, which cut across ethnic and religious divides.

In Nigeria today, especially in the North-East region where *Boko Haram* insurgent activities are more pronounced, nobody is safe. In response to the high level of terrorist attacks in the region, the Federal government declared a state of emergency in some local governments of Borno and Yobe states in January of 2012. When the insurgency continued unabated, the state of emergency was extended to the states of Borno, Yobe and Adamawa in May, 2013. The insurgents had also unleashed terror attacks on travelers on inter-local government, inter-state and trans-border road travels in the area. Most of the motorists and travelers had fallen victims

of either being killed or kidnapped by the insurgents on the major highways. It is against this background that this study looks at the risk posed by insurgents in the region and its implications on trade, investors and other business- related activities in the North-East region of Nigeria.

Nigerians however, are hungry for progress and an improvement in their lives, but northern Nigerians feel this need most acutely. Life in Nigeria for many is tough, but across the North, life is grim. A UN study shows that poverty in the 12 most northern states is nearly twice that of the rest of the country. The health indicators also reflected this. Children in the far north are almost four times as likely to be malnourished. Child mortality is over 200 deaths per 1000 live births, leading to lower life expectancy. Educational standards are just as bad. Literacy in the far north is 35 percent, as opposed to 77 percent in the rest of the country. Seventy-seven percent of women in the far north have no formal education, compared to only 17 percent in the rest of the country. In northern Nigeria, primary school attendance is only 41 percent, while youth unemployment is extremely high. All of these have contributed to joblessness and a deepening cycle of poverty (Carson, 2012:2).

The statistics are disturbing, but they are not the whole story. Poverty in northern Nigeria is increasing. Despite a decade in which the Nigerian economy had expanded at a spectacular seven percent per year, the Nigerian National Bureau of Statistics estimates that extreme poverty is 10 percent higher than in 2004. It is even worse in the North. Income inequality is growing rapidly. These trends are worrying for economic, political, and security reasons (Carson, 2012:4).

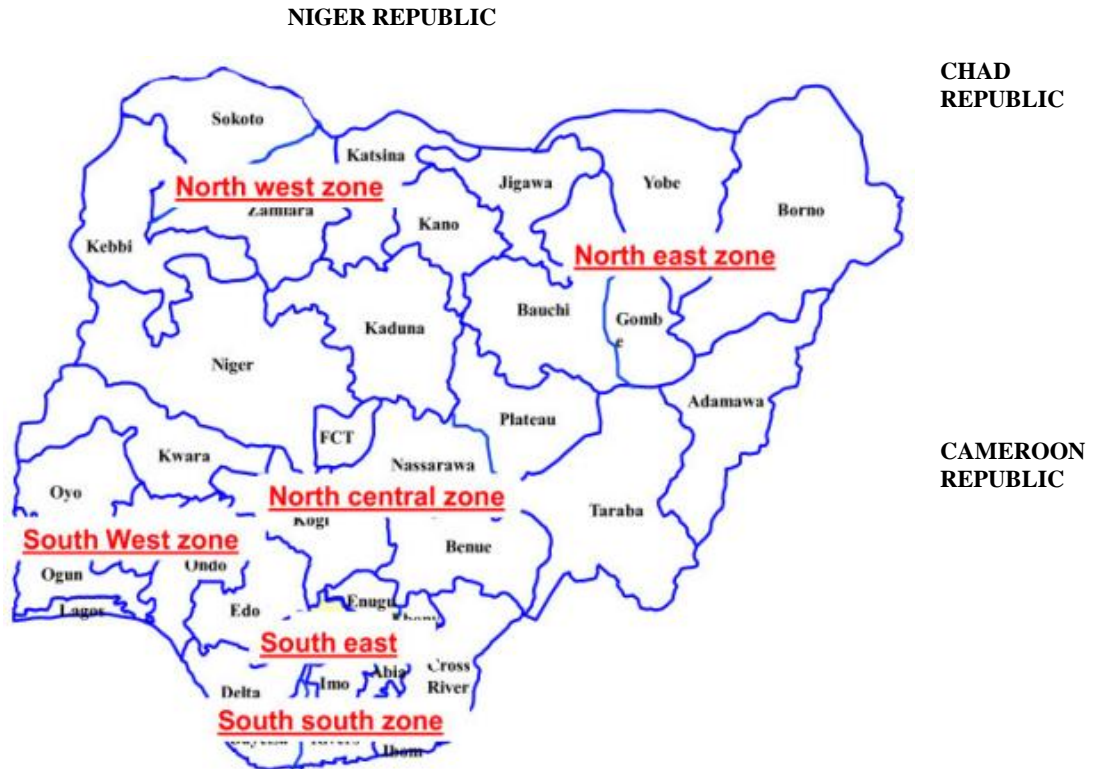
Also, over the last few years, *Boko Haram* has created widespread insecurity across Northern Nigeria, with increased tensions between various ethnic

communities, interrupted development activities, investors who were frightened off, and generated concerns among Nigeria's northern neighbours (Cameroon Republic, Republic of Chad and Niger Republic). They have been responsible for almost daily attacks in the Borno and Yobe states, and they were behind the January 20 attack in Kano that killed nearly 200 people and three major attacks in Abuja, including the bombing of the UN headquarters on 26th August, 2011. *Boko Haram's* attacks on churches and mosques are particularly disturbing because they intended to inflame religious tensions and upset the nation's social cohesion (Eme, et al, 2012:45).

1.2 Background of the study

Nwokedi, (2003) discussed that; Nigeria prior to its amalgamation in 1914 was having only Northern and southern protectorate. Later Nigeria got its independence from Britain in 1960 and the two protectorate thus; Northern and southern protectorates were sub-divided into six geo-geopolitical zones/regions in the modern Nigeria. These six geo-geopolitical zones includes; North-Central, North-East, North-West, South-South, South-East and South-West respectively.

Babalola, (2016) opined that, in 1967 North Eastern state was created out of the Northern region. The North-East region of Nigeria comprises of six (6) states thus; Adamawa, Bauchi, Borno, Gombe, Taraba and Yobe States respectively (Nwokedi, 2003). The division of Nigeria into regions and states is as a result of its diverse human and natural resources as well as its growth in terms of nation building. This will bring about equitable distribution of resources i.e. economic, natural etc.



Source: Adopted from; Dineen et al. (2008)

Figure 1.1 Map of Nigeria with the North-East region and states respectively labeled accordingly

From the map of Nigeria shown above, it portrays the six states of the North-Eastern region which comprises of Adamawa, Bauchi, Borno, Gombe, Taraba and Yobe states respectively labeled in the top right of the map. The map also shows the six geo-political zones of Nigeria, with some of the states affected by the ‘*Boko Haram*’ through gun, kidnapping and suicide bombings attacks. It also shows the neighbouring countries of Nigeria sharing border with some of the North-Eastern States; Niger, Cameroon and Chad Republic respectively.

1.3 Problem Statement

Boko Haram terrorist activities continuously affect production, whole sale, retail businesses and investments as well as import and export trade (with the neighboring Cameroon, Chad and Niger) in the North-East region of Nigeria. This is seen in the continuous decline in the government revenue generated through custom duty tax and payment of business tax in trade activities in the North-East region since the inception of the insurgency in 2009 to date.

Nigeria has been labeled as the most populated African nation and is also called the giant of Africa in terms of resources, military might and other political and economic development, in addition to being termed as the 6th largest producer of crude oil in the world and a member of the organization of petroleum exporting countries (OPEC). As such, the issue of “*Boko Haram*” terrorist activities is seen as a major setback to the country’s development in terms of political and economic stability (IFES, 2015).

Coleman (2015) states that Borno state is affected most by the so-called “*Boko Haram*” terrorist group. It is however the first state that the group emerged from, and also the state that has suffered most from the whole crisis in Nigeria. The state has witnessed a series of terrorist activities, ranging from the abduction of more than 200 school girls, suicide bombing of innocent citizens in places of worship and market places, and forceful recruitment of children and adults into the terror group. Also random assassinations of prominent members of the state, and the capture and control of more than 2/3 of the state territories by the insurgent group, and other ill activities have demoralized the traders and business men and women to continue their daily operations effectively, especially those involved in import and export trade activities. As such, this situation has expelled investors who have already

established their businesses and even those who have the intention to set up trade activities to stay away from the North-East region with any form of investment.

Therefore, from the above problem statement the researcher came up with these set of research questions which the thesis aims to answer.

1.4 Research Questions

The research study is trying to address a few questions listed below;

- a) What are the terrorists activities faced by investors in the North-East region?
- b) How do the terrorist activities affect local trade, as well as import and export in the North-East region?
- c) What are the strategies by the Federal Government of Nigeria to overcome the “*Boko Haram*” terrorist activities?

1.5 Research Objectives

In order to complete this research study, there are some key objectives that need to be addressed;

- a) To explore the terrorists activities faced by investors in the North-East region.
- b) To analyze how the terrorist activities affect local trade, as well as import and export trade in the North-East region.
- c) To discuss and analyze the strategies by the Federal Government of Nigeria to overcome the “*Boko Haram*” terrorist activities.

1.6 Significance of the Study

Terrorism and terrorist activities have become a global phenomenon; this has prompted the attention of researchers all over the world to dive in and bring

contribution towards solving the menace and also to augment the body of knowledge. Since the September 11, 2001 attack on the World Trade Centre in the United States of America, terrorism has been on the rise in several countries around the world.

Several literatures have tried to address the issue of terrorism through different approaches. The rise of the *Boko Haram* terrorist group in North-East Nigeria is also not being left out by several researchers. Most researchers laid emphasis on the security challenges posed by the group. Osumah (2013) looked at the terrorist group as posing a threat to the internal security of the state, while others were looking at its similarities with other terrorist links outside Nigeria like the Al-Shabaab militant group in Somalia and Islamic State of Iraq and Syria (ISIS). Other researchers looked at the Al-Qaeda ties to *Boko Haram* and Ansaru, while Ozdamar (2008) was looking at it from the angle of terrorist behaviour.

However, due to the rise in the *Boko Haram* terrorist activities and the displacement of several thousands of inhabitants of the North-East region, coupled with ripple effects on trade and other business-related activities of both private and government in that region, the researcher found it imperative to dive in to bridge the gap which exists. There is a lack of relevant literatures which discoursed extensively on the impact of *Boko Haram* terrorist activities in the North-East region of Nigeria on trade and other business-related activities, like the investment into manufacturing and production of goods and services which could be imported or exported to neighboring Cameroon, Chad and Niger whom are sharing boundaries with some of the North-Eastern states (i.e. Adamawa, Borno and Yobe).

As such, the study tends to align and bridge the existing gap in literature and the body of knowledge, and also sought to come up with plausible solutions to the menace posed by the *Boko Haram* terrorist group in the North-East of Nigeria.

However, at the end of this research, plausible policy recommendations will be given so as to help the various stakeholders involved, namely Government decision-making bodies, policy makers, political figures, Chief executives i.e. Chairmen of Local Government Areas, Governors and the President and even trade unions etc. This will not just address the issues of strengthening trade activities alone, but also the generality of restoration of the past glory of peace, security and the co-existence throughout the North-East and Nigeria at large. Borno state is one of the North-Eastern states of Nigeria whose motto is the “Home of Peace”. It is however the same state that the so-called “*Boko Haram*” terrorist group first emerged and also the state that suffered most from the whole insurgency crisis. As related by Coleman (2015), these could be portrayed through the abduction of more than 200 school girls, forceful recruitment of innocent children and adults into the terrorist group, random assassinations of prominent members of the state, capture and control of more than 2/3 of the Borno state territories by the insurgent group and many other menace-related activities. All these challenges have brought about a major setback in the country’s growth and development as one of the world’s largest producers of oil and a member of OPEC, as well as Africa’s most populous black nation.

1.7 Scope and Limitations of the Study

This study will limit its scope to North-Eastern Nigeria by focusing on *Boko Haram* terrorist activities and its impact on trade within the region under review.

The limitation of the work is from 2009-2015 as this is the period in which the *Boko Haram* terrorist activities started making its impact felt on trade and other business-related activities in the North-East region of Nigeria.

1.8 Definition of Concepts

This will enable the reader to have a holistic idea on certain terms and concepts used in this study.

1.8.1 The term Terrorism

The researcher deem it necessary to first of all explain what terrorism is and analyze its concepts in order to have a clear cut understanding of what *Boko Haram* is and its *modus oparandi*, as *Boko Haram* is globally recognized as a terrorist group.

Terrorism is not entirely new in politics and international relations vocabulary. Therefore, what is terrorism? Why is it there? Who are the terrorists? What are the ways to deal with it? These are the major questions that concern researchers who studied this social phenomenon.

The term ‘terrorism’ suggests political violence or insurgency primarily. Terrorists kill people or destroy property for political purposes. But using the concept of terrorism as a synonym for political violence, which is done in political science literature, is a reductionist approach. According to Wilkinson and Stewart (1987), there is a general recognition that terrorism is a specific method of struggle rather than a synonym for political violence or insurgency. According to Brian Jenkins (in Wilkinson and Stewart 1987), terrorism can be described as a kind of weapons system. This is a useful definition to some extent because it provides a context to the researcher in which this weapon can be used by various actors. It is

not the weapon of one group, organization or ideology but it is the weapon of various actors in the international system. It is indeed insightful to describe terrorism as the weapon of the poor. Terrorism is more likely to be used by 'poorer' groups who need to bring an expensive political change because terrorist activities induce lower costs, but may bring significant political changes (Özdamar, 2008).

The saying 'one man's terrorist is another man's freedom fighter' reflects the seemingly inherent difficulties in defining terrorism. On a global level, several attempts to reach a common definition have been unsuccessful, and governments, international organizations, and private agencies, thus operate with separate characterizations of the phenomenon. Scholars in international relations (IR) and related fields often employ the UN Academic Consensus Definition:

"Terrorism is an anxiety-inspiring method of repeated violent action, employed by (semi-) clandestine individuals, group or state actors, for idiosyncratic, criminal or political reasons, whereby - in contrast to assassination - the direct targets of violence are not the main targets. The immediate human victims of violence are generally chosen randomly (targets of opportunity) or selectively (representative or symbolic targets) from a target population, and they serve as message generators. Threat and violence-based communication processes between terrorists (organizations), (imperiled) victims, and main targets are used to manipulate the main target (audience(s)), turning it into a target of terror, a target of demands, or a target of attention, depending on whether intimidation, coercion, or propaganda is primarily sought" (Schmid, 1988).

Insurgencies have existed as old as civilization but became most prominent after the September 11, 2001 bombings of the United States by Al-Qaeda. The bombings were carried out on the World Trade Centre which has adverse effects on the business activities of America and globally (Rogan, 2007).

However, the U.S. Department of State has commended Nigeria for “forging an anti-terrorism consensus” in sub-Saharan Africa following Al-Qaeda’s attacks against the United States on September 11, 2001. In fact, Nigeria has coordinated the U.S. led Trans-Sahara Counterterrorism Initiative, which conducts counterterrorism exercises in the region to prevent extremist groups from taking root (Coleman, 2015).

1.8.2 The Dilemma of Defining “*Boko Haram*”

In an interview before his death, Mohammed Yusuf told the BBC Hausa Service he believed that the Earth was flat and that rain was not caused by evaporation from the ground. Such statements have led to widespread derision of the group and a resistance to taking it seriously enough to examine its aims. The name *Boko Haram* has also become a barrier to people’s understanding of the group’s motives (it is used throughout this study only because it is shorter and better known than its proper name). In fact, the name was really a succinct critique and implied rejection of Yusuf’s teachings. “*Boko Haram*” rather than a distillation of the group’s core beliefs was a name given to the group by dismissive neighbors who had not joined the sect and had no time for it. It was as if they were saying “those people who go on and on about Western education being a sin”. *Boko Haram*, as a group, clearly does not utterly reject the modern world out of hand. The group’s use of mobile phones, video cameras, DVDs, YouTube, chemical explosives, automatic weapons, and cars shows it is more than prepared to use the fruits of Western education when it suits them. *Boko Haram* is, however, against those in northern Nigeria known as “*yan boko*.” *Yan Boko* is literally translated as “child of the book.” It refers to the elite created by the policy of indirect rule used by the British to colonize Nigeria—the people who have had their heads turned away from Allah

by easy money and corrupting Western values. To be a '*yan boko*' is to be spiritually and morally corrupt, lacking in religious piety, and guilty of criminally enriching oneself rather than dedicating oneself to the Muslim *ummah* (community).

1.8.3 The term Trade

According to Douglas, H. (2010), trade is the act or process of buying, selling or exchanging commodities, either wholesale or retail within a country or between countries: *domestic trade*; *foreign trade*. Trade could also be seen in terms of private, corporate and government.

The trade sector in Nigeria shows an encouraging future. So far, current activities in the sector reveals an astonishing pace in growth, market entry of wholesale & retail chains that have recently penetrated Nigeria's market space, a growing middle class hugely influenced by urbanization and easy information access for promoting trade activity. In addition to this, noticeable demand is on the rise for consumer goods by the said middle class who willingly welcome convenience one-stop shops. This has translated into the snowballing of various foreign wholesale and retail chains and shopping centers across the country and the development of several larger indigenous ones to complement the millions of micro and small establishments all over the country providing the same service.

However, the situation is not the same in the North-Eastern part of the country. War and terrorism have pushed away investors and their businesses from the region because of the continuous violence attacks by the dreaded insurgent group *Boko Haram*, whom has been launching series of attacks since 2009 to date. Also, the flow of goods in terms of import and export along the North-East region has been completely brought to a halt. Traders and investors fear the risk of been

attacked by the terrorists, whom mostly operate along the borders of the North-East region.

Also, it has been observed in table 2.2 how the *Boko Haram* has attacked several businesses and killed thousands of people, mostly within the region under review. This has created fear and discouraged many traders and investors from continuing business activities in the North-East region. As such, the people of the North-East are suffering from insufficient goods and other services which could help to better their livelihood and at the same time, the government has also faced a lot of revenue losses (taxes) from the closure of businesses and investments, as well as import and export duty tax from the borders in the North-East region.

1.9 Chapter Outline

Chapter 1 Introduction: This chapter provides the reader with an Introductory Knowledge of the study, Background Information of the study, Problem Statement, Research Questions, Research Objectives, Significance of the Study as well as the Scope and Limitations of the study which are clearly stated in this chapter.

Chapter 2 Literature Review: This chapter explored past relevant literatures on terrorism and trade. It basically dealt with pertinent and contemporary literatures in show casing arguments made by scholars in this field of study.

Chapter 3 Theoretical Framework and Application: This chapter basically introduced, explained and applied the two theories used in this study. Frustration - Aggression theory and Liberalism theory were applied to ascertain the impact of '*Boko Haram*' on Trade in North-East Nigeria 2009-2015. Therefore, this section concludes with an overview on how '*Boko Haram*' activities in North-Eastern Nigeria significantly affected Trade.

Chapter 4 Research Methodology: This chapter focuses on the research design that was used to conduct this research. It further discloses the ways used in analyzing data that was collected through secondary form, also limitations of the methods used and ways on how the data is collected will be examined.

Chapter 5 Data analysis and findings: This chapter outlines the results of the various data analysis, provides discussion of research findings and builds bridges to connect between the research title, objectives of the study, problem statement and findings from relevant literatures. The result section summarizes the findings of the study with respect to the research questions.

Chapter 6 Discussions, Conclusion and Recommendations: Discussions, Conclusion and Recommendations based on the findings are provided in this chapter together with discussions on the contribution of the study to the body of knowledge. This chapter concludes the research and documents the implications of the study with recommendations for future research.

Finally, this chapter has adequately introduced the research and has given a smooth transition for the next chapter, which is Chapter Two, to present the numerous literatures on the impact of *Boko Haram* on trade in North-Eastern Nigeria, and will further showcase past relevant studies in this field so that the researcher will fill in the gap and present convincing arguments as well as new knowledge in this area of study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Modern conflict is no longer restricted to only wars between the military forces of different states. The rise of organized crime networks (e.g. drug cartels) and terrorist groups (e.g. ISIS, *Boko Haram* etc.) in the 21st century has led to a scenario where such non-state actors pose a greater threat to a state's national security than the military forces of other states.

However, terrorism is a human-imposed disaster which purposefully aims at maximum random destruction and which is planned to systematically circumvent preventive measures. International Terrorism according to Czinkota (2005) is "the systematic threat or use of violence across national borders to attain a political goal or communicate a political message through fear, coercion or intimidation of non-combatant persons or the general public".

Therefore, terrorists intend to affect supply and demand in order to precipitate deleterious effects on existing economic systems. There are two key types of effects which take place: direct and indirect. The direct effects of terrorism comprise of the immediate business consequences as experienced by individual firms.

On the other hand, the latter would accumulate and often become recognizable only over time and include long-term changes, such as a decline in buyer demands, shifts or interruptions in value and supply chains, new policies, regulations and laws which have intended and unintended effects, as well as changes in international relations and perceptions that affect trade and investment. These indirect effects pose the greatest potential threat to the activities of firms. The effects of terrorism on the

commerce and business according to Nitsch-Schumacher (2004) can be gathered under 3 topics:

1. The atmosphere of distrust that the terrorists bring forth increases the business running costs. The almost unpredictable nature of the terrorist-caused events renders the business plans useless. The tension and the pressure that terror brings in the society change the production and consumption patterns in the country and the shopping, transportation and tourism preferences of the people in particular, thereby influencing international trade.

2. The increase in the security costs against terror extends distribution cycle and raises marketing costs. Based on the lack of confidence which is brought about by terrorism, the marketing of some goods becomes more risky, which leads to decreases in businesses and revenue.

3. Terror targets the goods and supply chains that give the country competitive advantage. As Ricardo puts it in his “Comparative Advantage Theory”, some countries produce some goods because of their competitive advantage. Terrorist actions target these kinds of advantages.

Finally, these are some of the ways terrorists take advantage of businesses and trading activities to perpetrate destructions and send negative signals to investors and other relevant key industry players, to diminish government revenue in order to hold the government to ransom so as to allow them to achieve their goal.

2.2 Conceptualizing Terrorism

The trouble with terrorism is that most people think they know what it is, but few can adequately define it. In his attempt at defining terrorism, Laqueur (1999, p. 14) described it as an analytical as well as a political challenge. From an analytical

perspective, Laqueur believes that generalizations with regard to terrorism 'are almost always misleading'. This has led to the academic study of terrorism being described as 'descriptively rich but analytically barren' (Ross, 1993). However, Roberts (2008) avers that the word 'terrorism' like many abstract political terms is confusing, dangerous, and indispensable. It is confusing because it means very different things to different people, and its meaning has also changed greatly, over time. It is dangerous because it easily becomes an instrument of propaganda and a means of avoiding thinking about the many forms and causes of political violence, and indispensable; because there is a real phenomenon out there that poses a serious threat. The confusion surrounding the issue stems from a number of sources. The distinctive methods that many scholars associate with terrorism involve the willful taking of human life and the infliction of severe mental distress, sometimes entailing, whether randomized or calculated, attacks on the innocent. Naturally, this raises fundamental ethical issues, provoking questions relating to concepts such as 'just war' and 'non-combatant immunity' (Harmon, 2000, p. 5).

Furthermore, because terrorism is not considered to be value-neutral, the word itself becomes an object for contention among conflicting parties involved in a conflict. Political conflicts are struggles for power and influence, and part of that struggle is about who labels whom. Since power tends to be largely concentrated in the hands of states, it has been argued that it is normally they who are able to attach the meaning to certain forms of political behaviour, which is why state terror is often ignored in studies of terrorism. Consequent upon this conceptual mess is that – in trying to deconstruct terrorism for academic analysis – the word has been all but defined out of existence.

Attempts to define terrorism in recent years, especially since 2001, have reflected the fact that much contemporary terrorism is targeted against civilians. According to Coleman (2015), United Nations Security Council Resolution 1566 of 8 October 2004 comes close to a definition of terrorism when it refers to it as: “Criminal acts, including against civilians, committed with the intent to cause death or serious bodily injury, or taking of hostages, with the purpose to provoke a state of terror in the general public or in a group of persons, intimidate a population or compel a government or an international organization to do or to abstain from doing any act, which constitutes offences within the scope of and as defined in the international conventions and protocols relating to terrorism.” Similarly, the UN High-Level Panel on Threats, Challenges and Change, which issued its report in December 2004, focused on civilians in its suggested definition of terrorism. The Panel defines it as: “Any action, in addition to actions already specified by the existing conventions on aspects of terrorism, the Geneva Conventions and Security Council resolution 1566 (2004), that is intended to cause death or serious bodily harm to civilians or non-combatants, when the purpose of such an act, by its nature or context, is to intimidate a population, or to compel a Government or an international organization to do or to abstain from doing any act”. While these UN definitions may contain a basis for a formal international legal definition of terrorism, a limitation of both (and especially of the second) should be noted. The UN has stressed its emphasis quite largely on the threat to civilians or non-combatants. It seems to suggest that certain acts such as attacks on armed peacekeeping forces, attacks on police or armed forces, or assassination of heads of state or government, are not included. Perhaps, they might not include the attacks on

the Pentagon on 11 September 2001, so long as they do not involve the hijacking of a civilian airliner.

However, there are traps in these or any other definition of terrorism, and how the term is used. As argued by Roberts (2008), the most serious is that the label ‘terrorist’ has sometimes been applied to the activities of movements which, even if they did resort to violence, had serious claims to political legitimacy and also exercised care and restraint in their choice of methods. The recent Red Shirt pro-democracy agitators in Thailand, branded as ‘terrorists’ by the Thai authorities, is a case in point (CNN and Aljazeera News broadcasts, May 2010). It should be recalled that in 1987 and 1988, the UK and US governments labeled the African National Congress of South Africa as ‘terrorist’, a typical example of a shallow attribution even at the time, let alone in light of Nelson Mandela’s later emergence as Statesman. It is worthy of note therefore that indigenous terrorists in Nigeria since the 1980s have demonstrated some, if not all, of the traces identified with global terrorism.

Finally, no meaningful conclusion has been reached using these approaches. This study does not claim to have a magic wand in resolving the definitional problem, which has haunted (as well as hindered) research on the subject for many decades. Nevertheless, it contends that – strictly for the purpose of this analysis – it is possible to describe terrorism as the deliberate creation of a sense of fear, usually by the use or threat of use of symbolic acts of physical violence, to influence the political (and, in the case of Nigeria, social) behaviour of a given target group.

2.3 Reasons for Terrorism

Terrorists have different purposes for their operations, as their purpose is not just to kill as many people as possible, but rather to have the masses under the influence of terrorist activities (Kislali, 1999). The target of terror, which spoils reason and thinking processes and confuses masses, is to generate an atmosphere of distrust and uncertainty. While the atmosphere of distrust stemming from terror enhances the anxiety of people regarding the future, uncertainty raises feelings of no control.

Also, one other aim of terrorists is to create a sense of “we” and “they” partition promoted by the radical circles (Kökdemir, 2003). The major aim of terrorists is to ruin the morale of the people and security forces and create panic by intimidating the people and the targeted society. The targeted areas of *Boko Haram* terrorists in Nigeria includes places of worship (mosques and churches), schools, shopping centres, restaurants, cafeterias, markets and any other form of gathering space in which multitudes of people meet and are targeted. The other aim of terror is to shake the authority of state by degrading the public institutions, security forces and other public officers in the eyes of public opinion (Varol, 2007). Terror mainly seeks to inflict psychological harm in society with minimum use of power (Sandler and Enders, 2004: 28). Terror is not there merely to kill and ruin, but rather to demonstrate its superiority by intimidating society through its activities. Terrorist organizations attempt to compel the government and realize their aspirations by instilling fear in public through violence and tension (Eme & Ibietan, 2012).

The goal of terrorist organizations can be classified under three (3) broad tactical goals according to Tavares (2004);

- i. Drawing attention: Terrorists would draw the attention of the public, thereby targeting prominent figures and strategic places such as cities, residential areas, schools, places of worship (churches and mosques) etc.
- ii. Causing political instability: Terrorists perform their operations in order to cause political unrest, thereby resulting in the removal of the government in power. Just like how the ruling party was voted out of office in the just concluded 2015 general elections in Nigeria, because they could not tackle the security challenges in the country.
- iii. Imposing damage on economy: Terrorists also destroy the economy of a country because foreign investors will be discouraged from investing into that particular country.

2.4The Rise of *Boko Haram* Terrorists

Boko Haram, like many other terrorist organisations, is a product of globalization. It is a global phenomenon that borrows from many backgrounds and climes. The idea of militant Islamism has ideological roots in the Middle East but was nurtured, most ironically, in the mosques of London by preachers from the Middle East who moved to the United Kingdom in the 1980s and the 1990s. It is in UK that many would-be terrorists, hot-headed young men, imbibed the ideology whose complete circle ends with full indoctrination in Yemen and elsewhere. There is no pointer to the global nature of what is presently the world's highest security risk than this. The growth of Nigeria's *Boko Haram* followed almost a similar pattern (Ribadu, 2015).

The present anti-modernity version of extremism the country is witnessing in the Northern part of Nigeria started when just two Nigerians; Mohammed Ali from

Borno State and Abu Umar from Kano, met a Syrian preacher, Abu Albasir al Dardusi in Yemen. It was this preacher who indoctrinated them in the line of rejecting western education and all the symbols of modern governance, based on a corrupt interpretation of a single hadith (sayings of the Prophet). Al Dardusi was one of the preachers who settled in the UK (Ribadu, 2015).

When the duo of Ali and Umar returned to Nigeria, they started converting people, especially young Sunni preachers who already had an extreme interpretation of Islam. Two smart and intelligent local preachers who are Bello Doma and Mohammed Yusuf were among their early converts. By his charisma, education and followership strength, Yusuf quickly got frontline prominence within the circle and, subsequently, emerged as the leader of the group. From 2001 onward, the group passed evolutionary stages in nomenclature, structure and base. Disagreements on methodologies and other egoistic reasons also led to the formation of factions within the larger group which, however, reunited at a later time when Ali was killed and Abu Umar captured. Most of the known figures of the movement were also arrested and jailed. But, ironically, the consensus on *Jihad* and the decision to begin an offensive was reached while some of the ring leaders were in custody in one of Nigeria's major prisons (Ribadu, 2015).

Because many of the arrowheads were influential clerics in their own rights, recruitment was initially through persuasive preaching and sermons, as well as one-on-one brainwashing encounters. Some of the leaders would go on itinerant preaching tours to towns and villages, recruiting largely frustrated young men already disenchanted about life. At the initial stage, the group survived on contributions from members, some of whom were traders or engaged in menial jobs. In fact, many of them sold off their assets to contribute money towards keeping the

movement alive. However, when the violent campaign commenced, and to maintain a growing number of recruits, the group took to kidnapping for ransom, bank raids and armed robbery. The money was also used in inducing recruits and settling families of deceased members (Ribadu, 2015).

Of course, the level of illiteracy and endemic poverty among the populace of Northern Nigeria provided a fertile ground for *Boko Haram* to quickly expand. This, as we shall come to see, also played a role in fuelling the confusion and conspiracy theories that have come with the insurgency (Ribadu, 2015).

Some of the early fatalities of *Boko Haram* operations were some of their own teachers in the past, who voiced disagreement with the weird theology of the terrorist group. Members deliberately used terror to intimidate all other preachers and dissenting voices. With this tool of terror, opposition to their ideological position from a theological standpoint became difficult as scholars became afraid of the fate that befell some of their colleagues. On the other hand, the group was consolidating its own ideological incursion through the production and distribution of sermons and propaganda materials in print and electronic forms. It was also, at the same time, reaching out to similar groups within Africa and the Middle East, including al-Shabab. This culminated in the allegiance paid to ISIS, which was coordinated through the effort of one Abu Basir al-Barnawi, a *Boko Haram* member from Nigeria (Ribadu, 2015).

2.5 *Boko Haram* Terrorists and Their Ideology in Nigeria

‘*Jama'atu Ahlis Sunna Lidda'awati Wal-Jihad*’, better known by its Hausa name ‘*Boko Haram*’, is a *Jihadist* terrorist organization based in the northeast of Nigeria. It is an Islamist movement which strongly opposes man-made laws. Founded by

Mohammed Yusuf in 2001, the organization is a Muslim sect that seeks to abolish the secular system of government and establish *Sharia* Law in the country.

The movement, whose name in the Hausa language, *Boko Haram*, translates as "Western education is sacrilege" or "a sin" is divided into three factions, and in 2011, was responsible for more than 1000 killings in Nigeria (Eme et al, 2012:47).

Though the group first became known internationally following sectarian violence in Nigeria in 2009, it does not have a clear structure or evident chain of command. Moreover, it is still a matter of debate whether *Boko Haram* has links to terror outfits outside Nigeria and its fighters have frequently clashed with Nigeria's central government (Brock, 2012).

The group has adopted its official name to be People Committed to the Propagation of the Prophet's Teachings and *Jihad*, which is the English translation of *Jama'atu Ahlis Sunna Lidda'awati wal-Jihad*(Cook,2011).

Boko Haram is an indigenous Salafist group which only turned itself into a Salafist *Jihadist* group in 2009. It propagates that not only interaction with the Western World is forbidden, but it is also against the Muslim establishment and the government of Nigeria. The group publicly extols its ideology, despite the fact that its founder and former leader Muhammad Yusuf was himself a highly educated man who lived a lavish life and drove a Mercedes Benz (Bartolotta, 2011).

The group was founded by Mohammed Yusuf in 2001 in the city of Maiduguri, with the aim of establishing a Shari'a government in Borno state under former Governor Ali Modu Sheriff. He established a religious complex that included a mosque and a school, where many poor families from across Nigeria and from neighbouring countries enrolled their children.