Poverty, Unemployment and Insecurity
Challenges in Nigeria

Egunjobi T. Adenike*

Abstract
Nigeria is presently experiencing a high level of unemployment, which has significantly contributed to a higher level of poverty, whose effects and consequences have contributed to a high level of insecurity. Making use of Nigerian data from 1990–2017, this paper sought to investigate the interactive effects of unemployment, poverty, and insecurity in Nigeria; and examine the response of poverty and unemployment to the emergence of conflict in Nigeria by employing the Granger causality test and the variance decomposition technique. The results show that as more people fall below the poverty line, the rate of unemployment increases and government spends more on security; and also as more people become unemployed, the level of poverty increases; and as government expenditure on security increases, poverty increases. Insecurity accounted for the greatest shocks in poverty and unemployment; and also, poverty and unemployment positively and significantly responded to shocks from insecurity. The paper recommends that appropriate micro- and macro-economic policies that are tailored towards elevating more people above the poverty line, creating more employment opportunities, and imposing more stringent penalties on culprits involved in insecurity vices must be pursued to enhance citizens' quality of life.

JEL Classification: E24, F52, I32

1. Introduction
Nigeria is endowed with both abundant human and natural resources. Unfortunately, however, it is bedevilled by many political, social and economic problems, which have negatively impacted the quality of life of her citizen. One of such problems is unemployment, which is a major global challenge though it is more prevalent in developing countries. According to Adesina (2013) unemployment is both an economic and social issue affecting almost all countries and all people directly or indirectly. It causes social anxiety, and is manifested in the wave of crimes, youth unrest, and unstable socio-economic structure rampant in some nations. The world, and most particularly developing nations like Nigeria, are currently facing serious job challenges and widespread decent work deficits.

The unemployment rate in Nigeria increased from 33.30% in the fourth quarter of 2020 from 27.10% in the second quarter; though it was 22.6% in 2018. Unemployment rate in Nigeria averaged 12.31% from 2006 until 2018, reaching an all-time high of 23.10 percent in the third quarter of 2018 from 5.10% in the fourth

*Department of Economics, University of Lagos, Akoka, Lagos State, Nigeria: adenikejesus@gmail.com

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quarter of 2010 (NBS, 2019). In addition, the level of unemployment increased from 6.4% in 1980 to 49.6% in 2000, and to 54.1% in 2017. Since the year 2000, the unemployment rate has grown at a compound annual average of 4.8%, and has continued to oscillate and rise from year 2000 to 2016 (Ajakaiye, 2016; Golubski, 2016). Also noticeable is that as the number of the unemployed are rising, youth unemployment had increased from 9.85% in 2007 to 12.48% in 2016, and to 13.96%, 13.72%, and 13.96% in 2017, 2018, and 2019, respectively. In Nigeria, the unemployment situation has become more severe due to an adverse economic environment, job losses, dwindling capacity of businesses to create jobs, effects of the COVID-19 pandemic, and recurring farmer-herder crises. According to the World Bank (2018), almost half of the Nigerian population live below the poverty line, which is linked to the high and growing rate of unemployment in the country.

Poverty is another major impediment to the assurance of quality of life in almost all countries of the world. Poverty has increased considerably in Nigeria compared to China, Brazil, Bangladesh and South Africa where poverty rates have declined significantly in the last two decades (Adeoye et al., 2012). Globally, in 2019 Nigeria topped the list of countries having the majority of her citizens living in extreme poverty with 86.9m people, closely followed by India (71.5m), and then the Democratic Republic of Congo (DRC) (60.9m) (Abdulmalik, 2015). As expected, Nigeria topped the list in Africa with 86.9m people in this category, implying that 46.7% of its population (almost half of her population) lived in extreme poverty. The DRC was the second with (60.9m people) 77% of the population living in poverty; followed by Ethiopia and then Tanzania with 23.9m (23.4%) and 19.9m (35%) people, respectively, living in extreme poverty.

To further buttress the consistent and increasing level of poverty, Nigeria’s national poverty index was 40.2% in 1980, 50.3% by 1990, and 51.72% by 2017. In addition, the estimated population living in poverty has not presented a palatable picture. The population living in poverty was 17.7m, 34.7m, 39.3m, 67.1m, 68.7m, 91.5m and 109.03m in 1980, 1985, 1992, 1996, 2004, 2007 and 2010, respectively (Iyoko, 2012). In 2019, the estimated population of Nigerian was about180m, and about 126m of these are poor (Egunjobi, 2019). This trend shows that the rate of the increase of the population of people living in poverty has not only been increasing, but it has also been increasing at a higher rate.

Another major challenge bedevilling the country is the incessant bouts of insecurity across the nation. Although insecurity, conflicts, and terrorism have been witnessed in different degrees across the globe, the rate of increase in Nigeria is alarming. All these have been pronounced in Nigeria with the kidnappings in the Niger Delta area, which brought serious decline in the activities of oil exploration in an oil dependent economy; the attacks by Boko Haram in the North; the killings by the Fulani herdsmen in some states in the North; and with ritual killings that possibly occur due to the high levels of poverty and unemployment and the effort to survive at all cost in the face of hunger and starvation (Idike et al., 2015). Now, almost all states are battling with the issues of conflicts, kidnapping and
insecurity, which have grave consequences on the political, social and economic sustainability of the economy, and of course the welfare of citizens. Many Nigerians have been internally displaced, killed, left without means/ tools of survival, lost assets and property, and live in fear or insecurity (Obi, 2015).

Currently, Nigeria faces several security challenges and ranks as the 16th most dangerous country; (Nigerian Tribune, 2019), and also 151 out of 162 in the 2014 Global Peace Index. Nigeria’s security challenges comprises of increases in armed robbery, kidnapping, ethnic conflicts, and insurgency. Many Nigerians and some foreign inhabitants have been killed because of one violent crime or the other, while property worth millions of Naira have also been lost. According to Nigeria’s National Emergency Management Agency, at least 470,500 people were displaced in 2013 due to such incidences. Also, records show that over 140 foreign nationals have been kidnapped in Nigeria since January 2009. As Adesina (2013) purports, there exists many such incidences which are either unreported or under-reported.1

While those in the southern parts of the country grapple with kidnapping, ritual killings, and other types of violent crimes, Nigerians in the North live in utter terror, not knowing where and when the next kidnappings of schoolchildren will happen; when a set of bombs will explode, and/or inhabitants of villages and towns be brutally murdered. With the bomb explosion on the 1st of October, 2010 near the Eagle Square in Abuja, which was the venue of the celebration of the 50th independence celebration, the security challenge took a terrorism dimension. Since then, series of bomb attacks have occurred in several parts of the country; including Suleja in Niger state, Jos, Kaduna, Maiduguri, Bauchi and Kano (ibid.).

Nigeria has been referred to as one of the terrorist’s countries of the world (Jerome, 2015). Sandler and Ender (2008) and Oyibo (2016) observed that the pattern of insecurity has been regionalized: the militia groups operate in the south; insurgency and murder by herdsmen is prominent in the north; kidnapping in the east and south; ritual killings is prevalent in the east and west; with political and non-political assassinations across the nation. These crises and criminal activities individually and collectively create insecurity and breach of the peace that are indeed, or likely to, affect legitimate socio-economic activities in the country, both locally and internationally (Abubakar, 2005; Adesina, 2013).

Because of these problems the objective of this paper is to investigate the interactive effects of unemployment, poverty, and insecurity in Nigeria; and examine the response of poverty and unemployment to the emergence of insecurity in Nigeria from 1990-2017. The questions asked are: Are there interactive effects among poverty, unemployment, and insecurity? Does poverty and unemployment respond to the outbreak of insecurity in Nigeria?

1For a litany of killings and kidnaps see, e.g., Felix and Okumoko (2014); and Obi (2015) on insurgencies and attacks by Boko Haram, Fulani herdsmen, and Delta militants.
Many studies—such as Orokpo et al. (2018), Egunjobi (2017), Dauda (2017), Ajakaiye et al. (2016) and Kashi and Shahiki Tash (2014)—have investigated the relationship between unemployment and poverty. However, this study differs from others by analysing empirically the interactive effects of unemployment and poverty with the more recent challenge affecting the quality of life of Nigerians, which is insecurity.

2. Literature Review
2.1 Conceptual Framework
2.1.1 Concept of Unemployment
In Nigeria, the total labour force is made up of persons aged 15–64 years; excluding students, home-keepers, retired persons, stay-at-home parents, and persons unable to work or not interested in work (Kale & Doguwa, 2015). However, unemployment rate refers to the proportion of the labour force who are available for work but do not work for at least 39 hours in a week preceding the survey period (Golubski, 2010). The International Labour Organisation (ILO) defines the unemployed as those who are either out of work, want job, have actively sought work in the last four weeks and are available to start work in the next two weeks, or are out of work but have found a job and are waiting to start work in the next two weeks. The Nigerian labour force participation rate was 55.9% in 2019. It averages is 59.9%, having an all-time high of 61.2% in 1990 and a record low of 53.6% in 2016. Youth unemployment on the other hand is intensifying. Large concentrations of youth, both trained and untrained, educated and uneducated, are idle and without any hope of securing a decent job. Youth unemployment was recorded as 13.72% in 2019.

2.1.2 The Concept of Poverty
Poverty is multi-dimensional and does not have a clearly specified definition. However, basically the poor are those who are unable to obtain an adequate income, find a stable job, own property or maintain healthy living conditions. They also lack an adequate level of education, and cannot satisfy their basic health needs. As such the poor have low access to education health care, and low life expectancy. They have no or limited access to basic necessities of life such as food and decent shelter, and are unable to meet economic and social obligations. Also, the poor have are unemployed, have low skills, and have few (if any) economic assets (Orokpo, 2018). They are low income earners, powerless, voiceless, live in poor environments, and with low assess to social amenities and opportunities needed to improve the quality of life.

Generally, poverty has adverse effects on individuals, communities and the nation at large: it breeds social exclusion, isolation, fear, distress and deprivations (Danaan, 2018; Backwith, 2015). Poverty may lead to loss of self-confidence, self-actualization, self-fulfilment, lack of good orientation, and the abandonment of cultural values and heritage such that people are ashamed of their cultural and racial identity, and are therefore ready to do anything to accomplish their egocentric goals (Danaan, 2018).
The National Policy on Poverty Eradication in Nigeria (2000) itemizes the features of poverty as follows: not having enough food to eat, unfit housing, high rate of infant mortality, inadequate health care and services, poor nutrition, low life expectancy, low level of economic infrastructures, and lack of productive assets. Similarly, scholars have attempted to describe factors that have aggravated the poverty situation in Nigeria. They include, among others: unstable political system; low level of accountability, especially among government functionaries; corruption and mismanagement of resources; poor policy formulation, implementation and evaluation; non-involvement of the poor; mono economy; poor revenue allocation and distribution; ethnic and religious conflicts; and poor infrastructures (Orokpo, 2018). They believe that the bane of poverty in Nigeria is an incontestable fact that manifests in hunger, unemployment, low life expectancy, malnutrition, disease, ignorance and poor access to credit facilities, as well as a general level of human hopelessness (Abiola & Olaopa, 2008).

2.1.3 Concept of Insecurity
The concept of insecurity is multi-dimensional and can be defined from different perspectives. According to the UNDP (1994), human insecurity include chronic threats like hunger, disease, and repression. A person is secure when s/he is not exposed to any form of danger or risk of physical or moral aggression, theft, accident or deterioration (Eme & Anyadike, 2013).

Insecurity is seen as a chronic threat to human life, territories, states, religious beliefs, properties and institutions, among others (Obi, 2015; Oyinbo, 2016). Achumba, et al. (2013) identified two major sources of insecurity: those emanating from remote factors; and those from immediate and proximate factors. The remote factors include the lack of institutional capacity due to government failure; pervasive material inequalities and unfairness; ethno-religious conflicts; conflict of perceptions between the public and the government; weak security system; and the loss of a socio-cultural and communal value system. The immediate and proximate factors include porous borders, rural/urban drift, social irresponsibility of companies, unemployment, poverty, and terrorism.

2.1.3 Concept of Terrorism
Closely linked to insecurity is terrorism, which is an intentional use of threat or forcefulness by a specified group/ groups in a country to take over a political or egocentric objectives through the terrorization of people by attacking communities, states, and territories though bombing, hijackings and suicide attacks, among others (Obi, 2015). Generally, two types of terrorism can be identified: domestic and transnational. When terrorist activities target fellow citizens, their properties, and the country’s institutions and policies, it is known as domestic terrorism. This is exemplified by the activities of Boko Haram in Nigeria. However, when terrorist activities involves more than one country, it is referred to as transnational terrorism An example of transnational terrorism is the US attack of 9/11.
2.2 Nexus between Poverty, Unemployment and Security Challenges

According to Adebayo (2013), unemployment is adjudged as the reason why many have engaged in activities that threaten a nation’s security, especially by the unemployed graduates. According to him, high poverty and unemployment rates are inevitable and sneaks into the system when those who are given the role of administering the affairs of a country become materialistic and self-centred, in a situation where money budgeted for development purposes are embezzled by a few people, and a majority of the citizens are short-changed in terms of opportunities. Similarly, Enofe et al. (2016) discovered the existence of an insignificant direct relationship between corruption, unemployment, and poverty in Nigeria; recommending that the government must take urgent steps to reduce unemployment and poverty if corruption is be reduced to its barest minimum in the public sector. Abdulmalik (2015) supported this assertion, arguing that the various programs that had been initiated by past administrators in Nigeria had failed to create employment and alleviate poverty, and this has led to increased insecurity.

During periods of economic stagnation, there is the tendency for some people—especially disgruntled youth, and particularly males—to be easily lured into rebel groups. Cincotta et al. (2003) studied the effect of demographic structures on incidences of war in the 1990s, and discovered that the probability of an outbreak of civil conflict was more than twice as likely in countries in which the youth between the ages of 15-25 comprised more than 40% of the adult population, compared to countries with lower proportions. The youth are more susceptible to recruitment by rebel gangs because of frustrations arising from low opportunities or chances of being employed or receiving income (Fukuda-Parr, 2007).

The situation where majority of the people are poor and hungry, with many jobless youths will provoke high insecurity in the country. This is evidently the situation in Nigeria where many unemployed youths are lured into participating in various activities that is a threat to the country’s security. Most of these graduates when arrested attribute their criminal involvement to the unemployment and poverty situation in the country (The News Magazine, 2011). As observed by Adeoye and Atanda (2013), many Nigerian youths live in abject poverty; and even those who are employed often work at below minimum wage amidst high household dependence. This leads to anti-social lifestyles like crime, prostitution, banditry, youth restiveness, kidnapping, conflicts, lawlessness, etc. Similarly, Goodhand (2001) observed that poverty and conflicts are widely understood to be closely interconnected. Steward (2002) discovered that eight (8) out of ten (10) of the world’s poorest countries are experiencing, or have recently experienced, large-scale violent conflicts. Wars in developing countries the major root causes in extreme poverty, high unemployment, economic stagnation and inequality.

On his part, Rotimi (2011) believes that increasing unemployment and poverty poses a serious threat not only to good governance but to the security integrity of a nation. For example, the lack of employment opportunities has contributed to youth
involvement in urban conflicts and militancy that confronts Nigeria today. These consequences—especially those relating to crimes, violence and terrorism—are found in Nigeria, and have been associated mainly to unemployment which breeds poverty. As also supported by Adegoke (2015), when the youths cannot get good jobs, they make themselves available for odd jobs to survive, which could take any imaginable criminal dimension.

In the same vein, Marks (2016) discovered that conflict causes and compounds poverty. In the outbreak of a conflict, the poor are the hardest hit, and public welfare goods and services becomes depleted because resources are diverted to arresting the conflict. In rural areas, infrastructural facilities are destroyed or territories contested; and in urban areas, justice and security provision are retracted. At the state level, poverty can lower resilience to conflicts by weakening government institutions, stripping capacity for public goods provision, and limiting the projection of power and authority, whether soft or coercive. Poverty also compounds vulnerability to insurgency at the individual and community level by lowering the opportunity cost of mobilising for violence. High rates of unemployment and inequality, combined with low levels of education and development, are thought to soften the ground for the recruitment and provision of motives to fight (Humphreys & Weinstein, 2008).

2.3 Empirical Review
Ewetan and Urhie (2014) conducted a study on the insecurity and socio-economic development in Nigeria. They noted that the level of insecurity and terrorism in Nigeria—both in the northern and southern parts—has become a major concern for the government since 1990. These challenges—ranging from suicide attacks, bombings, kidnappings, ritual killings, armed robbery, and assassinations—have led to the destruction of lives and properties, stalled business activities, discouraged local and international investors and increased government spending on security. Thus, insecurity has suppressed and impeded Nigeria’s socio-economic development.

While also addressing the several security challenges faced in Nigeria in recent times, Adegoke (2015) examined the impact of unemployment on security challenges in Nigeria. The study findings revealed that there is a significant relationship between unemployment and insecurity in Nigeria, and recommended that all levels of government formulate and sustain programmes and policies directed towards a decline in poverty and unemployment.

On their part, Gupta et al. (2004) studied the impact of armed conflict and terrorism on macroeconomic variables, and found that conflict indirectly reduces economic growth by increasing the defence share of government expenditure. In a similar vein, Eckstein and Tsiddon (2004) investigated the effect of terrorism on the macro economy of Israel, using quarterly data from 1980-2003, and employing the vector autoregression (VAR). The result showed that terrorism had a significant negative impact on per capita GDP, investment, and exports in the country.
Similarly, Obi (2015) carried out an empirical investigation on the challenges of insecurity and terrorism on national development in Nigeria using the OLS data from 1990 to 2012. The result showed that terrorism and insecurity indirectly impacts economic development by making the government divert resources from development commitments to security votes. He ascertained that expenditure on security matters had significantly and directly impacted on economic development. He recommended that government should declare war on terrorism, while also asking for international assistance. He pointed the need to empower the military with more arms and ammunition to fight this insurgency; and that security should be beefed in the eastern and southern parts of the country to curb the problem of insecurity. Similarly, in their investigation of the link between national security and development in Nigeria, Otto and Ukpere (2012) showed that there exists a positive relationship between security and development; and that insecurity was devastating to the economic development of the country.

Moreover, Stewart (2008) discovered that violent conflict is prevalent in seven (7) out of ten (10) of the poorest nations in the world. As a result, it becomes an impediment to development via income reduction, low investment, and decline in human development because of enormous costs of war. His regression analysis indicated that, among countries experiencing conflict, the average loss in gross domestic product (GDP) per capita was between 2.0% and 2.4% yearly.

In a study on issues surrounding the paradox of rising poverty amid high economic growth in Nigeria, Dauda (2017) observed that poverty persists unabated in the country, although the economy has, in recent times, recorded substantial growth. The study discovered that the reasons for this absurdity include jobless growth, a non-pro-poor growth, and failure of poverty alleviation initiatives to address structural transformation required for a sustainable growth, employment generation, and bridging income gap within the economy. He recommended that focus should be placed on structural transformation, genuine commitment to good governance, fight against corruption, and provision of social protection to the poor and vulnerable.

A similar study by Ajakaiye et al. (2016) examined the relationship between growth and employment in Nigeria to gain perceptions into the country’s paradox of high economic growth amid rising poverty and inequality. The results revealed that Nigeria’s growth over the last decade has been ‘jobless’, and that it was sustained largely by factor reallocations rather than productivity enhancement. Also, it found that labour reallocations had been mainly from agriculture and manufacturing towards the low productive services sector. Employment elasticity of growth was positive and quite low, reflecting the country’s poor overall employment generation record, especially in manufacturing (ibid.).

On the other hand, Orokpo et al.’s (2018) study discovered that poverty alleviation programmes in the country over the years have not impacted the poor: the target beneficiaries. Thus, it recommended the need for intensive work to recognize and
express the causes and effects of poverty in Nigeria and pragmatically address them. Also, it noted the need for a concerted effort to identify, articulate and highlight the existence, causes, and effects of poverty in Nigeria.

Again, in a study on the correlates of poverty in Nigeria, Egunjobi (2017) discovered that the effect of unemployment and economic growth on poverty is significant and positive. He recommended that government policies should continue to boost the establishment of small- and medium-scale industries, and the development of entrepreneurship skills (especially among the youth) to reduce unemployment. Furthermore, efforts should be made to implement poverty eradication policies that are directed at the poor as the direct beneficiaries for inclusive growth to be achieved.

Arguing on the need to tackle the unemployment crises and security challenges if development must occur in Nigeria, Adesina (2013) concludes that the high rate of unemployment is directly responsible for the increasing security challenges in the country, which guarantees an increasing spread of poverty. He then recommended the creation of jobs and an enabling environment for business to strive, and also the diversification of the economy.

From the literature reviewed above, it can be observed that most of the works relate to one or two of the concepts (poverty, unemployment, insecurity) as relates to economic growth or development: there has been little empirical studies on insecurity. Also, no work has focused on the interactive effects of the three variables. Thus, this is paper seeks to fill this gap by empirically investigating the interactive effects of unemployment, poverty and insecurity in Nigeria; and examine the response of poverty and unemployment to the emergence of insecurity in the country.

3. Methodology

3.1 Theoretical Framework

This paper uses four theories: the Marxian theory, the new Keynesian theory of unemployment, the relative dependency theory, and the cyclical interdependency theory. Each presents its concept of poverty, unemployment, insecurity, and the nexus between the three.

3.1.1 Marxian Theory

The Marxian theory—which originated from Karl Marx and Frederick Engel—brought with it a radical change to the perception of poverty by formulating the principle of exploitation of labour (Egunjobi, 2013). According to Marxists, the economy is controlled and ruled by a few rich capitalists who own and control the means of production and distribution, while the masses that form the bulk of the population are poor. To them, the introduction of labour-saving technology due to advancement in science and technology will result in the displacement of the workers, thereby increasing the army of the unemployed, the unemployed, suffering from frustration and discontentment will eventually revolt against the oppression of the capitalists.
3.1.2 New Keynesian Theory of Unemployment
The new Keynesian school of thought opine that unemployment arises involuntarily and proposes reasons why wage rates might not quickly respond to shifts in supply and demand in the labour market. They believe that equilibrium in the labour market may not be achieved for an extended period of time, and this can result into unemployment, especially during economic recessions as experienced in Nigeria. As supported by Jhigan (2004), if there are more laborers seeking employment at the going wage rate than there are available jobs, involuntary unemployment occurs. This is relevant to Nigeria, workers are laid off because of the inability of employers even government to pay the minimum wage compounding the unemployment crises. This is because wage rates are typically not flexible downward and are largely determined by institutional forces, including trade union pressures, legislated government salary scales, and hiring practices of multinational corporations.

3.1.3 The Relative Deprivation Theory
The relative deprivation theory advocated by Robert Gurr explains the emergence of violence as a result of the gap between the expected and achieved welfare, which causes discontentment. According to him, revolution or other acts of violence—like banditry, insecurity, kidnapping, terrorism and so on—are driven by a relative feeling of inequality rather than natural instinct (Gurr, 1970). That is, people resort to violence when they perceive that what is legitimately theirs has been given or taken by others. This is applicable in Nigeria, where the citizens feel deprived of welfare packages, benefits and privileges due to them from the government and employers of labour. They believe they should not be suffering in the midst of plenty resources that have been denied to them by corrupt and selfish leaders, Thus, they become frustrated and aggressive; with the resultant effect being violence as replicated in Boko Haram, kidnappings, banditry, and so on.

3.1.4 Cyclical Interdependence Theory
Myrdal (1957) developed a theory of interlocking circular interdependence and multiplier effects among the various indicators of economic development and underdevelopment. He is of the opinion that personal and community welfare are closely linked in a cascade of negative consequences. For example, the lack of employment opportunities in a country can lead to emigration, closing of retails stores, decline in local tax revenues, deterioration of schools, poorly trained workers, inability of firms to adopt cutting edge technology, and the lack of incentives to attract new firms: all of which leads to greater unemployment and continuous vicious cycle of poverty. For an individual, unemployment leads to low consumption, low spending, low savings and investments, loss of self-confidence, involvement in all sorts of social vices, weak motivation and depression, etc. This is an indication that one problem leads to multiple problems to generate poverty, unemployment and insecurity.

In relation to Nigeria, unemployment is a key causal factor of poverty. The continuous increase in unemployment and poverty spell doom for her citizens (Danaan, 2018). With an unemployment rate of 33.30% in the fourth quarter of 2020 (NBS, 2016), this implies a high dependency ratio that puts pressure on the
privileged few who mostly indulge in corrupt practices and social vices to meet family and societal expectations. The privileged few mostly have a low sense of accountability and poor service delivery. On the other hand, low income earners may become frustrated and depressed, making them susceptible to social vices like conflict, fragility, violence, robbery, fraud, kidnapping, insurgency, and so on.

From the foregoing, there exists an interlocking circular interdependence among the three variables (poverty, unemployment, and insecurity), where one challenge leads to another; and one problem causes another (Danaan, 2018). The multiplier effect affects everyone either directly or indirectly.

3.2 Methodology

Poverty has multiplier effects and linkages; as such low access to resources can affect health status, inequality, life expectancy, security, education and economic growth (Danaan, 2018). As a result, apart from the three major variables that are the focus of this study, other instrumental variables that are of relevance were also included in the model. For instance, studies that have used some of these variables in addition to the three major variables are Enofe et al. (2016) (corruption); Steward (2002) (economic stagnation and inequality); Obi (2005) (security); Orokpo et al. (2018) (corruption); and Humphreys and Weinstein (2008) (inequality and education). The study employed the following techniques: the Granger causality test, to determine the interactive effects of poverty, unemployment and insecurity in Nigeria; and the variance decomposition test and the impulse response function, to examine the response of poverty and insecurity to the emergence of insecurity in the Nigerian economy, The latter technique required the use of the VAR model. The general VAR model is specified as:

\[
P_{i,t} = \beta_0 + \beta_1 \sum_{i=1}^{m} U_{i,t-i} + \beta_2 \sum_{i=1}^{m} I_{i,t-i} + \beta_3 \sum_{i=1}^{m} G_{i,t-i} + \beta_4 \sum_{i=1}^{m} C_{i,t-i} + \mu_{1t}
\]

\[
U_{i,t-i} = \gamma_0 + \gamma_1 \sum_{i=1}^{m} P_{i,t-i} + \gamma_2 \sum_{i=1}^{m} I_{i,t-i} + \gamma_3 \sum_{i=1}^{m} G_{i,t-i} + \gamma_4 \sum_{i=1}^{m} C_{i,t-i} + \mu_{2t}
\]

\[
I_{i,t-i} = \xi_0 + \xi_1 \sum_{i=1}^{m} P_{i,t-i} + \xi_2 \sum_{i=1}^{m} U_{i,t-i} + \xi_3 \sum_{i=1}^{m} G_{i,t-i} + \xi_4 \sum_{i=1}^{m} C_{i,t-i} + \mu_{3t}
\]

where i are the lags such that there are m number of lags in each model.
Table 1 presents the definition, measurement, and appriori expectation of variables.

<table>
<thead>
<tr>
<th>S/N</th>
<th>Variable</th>
<th>Definition</th>
<th>Measurement</th>
<th>Appriori Expectation</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>POV</td>
<td>Poverty headcount ratio</td>
<td>Number of people living below $1.9 per day</td>
<td>Dependent variable</td>
<td>WDI</td>
</tr>
<tr>
<td>2</td>
<td>UNEMP</td>
<td>Unemployment rate</td>
<td>Ratio of the number of people unemployed to labour force</td>
<td>Dependent variable</td>
<td>WDI</td>
</tr>
<tr>
<td>3</td>
<td>GWTH</td>
<td>Economic growth</td>
<td>Real Gross Domestic Product at 2010 constant prices</td>
<td>-</td>
<td>CBN</td>
</tr>
<tr>
<td>4</td>
<td>INS</td>
<td>Insecurity</td>
<td>Measured by the government expenditure on insecurity</td>
<td>Dependent variable</td>
<td>CBN</td>
</tr>
<tr>
<td>5</td>
<td>INE</td>
<td>Inequality</td>
<td>Measured by the Gini coefficient index, from 0 -100</td>
<td>+</td>
<td>WGI</td>
</tr>
<tr>
<td>6</td>
<td>COR</td>
<td>Corruption</td>
<td>Perception of the extent to which public power is exercised for public gain, score ranging from -2.5 to +2.5</td>
<td>+</td>
<td>WDI</td>
</tr>
<tr>
<td>7</td>
<td>EDU</td>
<td>Education</td>
<td>Measured by the literacy rate</td>
<td>-</td>
<td>WDI</td>
</tr>
</tbody>
</table>

Key: WDI = World development Indicator, World Bank; WGI = World Governance Indicator, World Bank data; CBN = Central Bank of Nigeria Statistical Bulletin

In the first model, it is expected that the level of unemployment, corruption and inequality will have a positive impact on poverty; but growth and insecurity is expected to have a negative impact on poverty in Nigeria. In the second model, it is expected that poverty, insecurity and corruption will positively impact on unemployment, while education will negatively impact on unemployment. In the third model, it is expected that poverty, unemployment, education, and corruption will positively impact on insecurity.

3.3 Estimation Procedures

The econometric analysis used in this study was based on time series data on Nigeria from 1990-2017. To avoid spurious results emanating from non-stationarity of time series data, and to fully examine the dynamic structure of the relationship among the variables, the properties of the data were analysed by conducting unit root tests. The unit root test was conducted using the Augmented Dickey Fuller test and the Philips Perron test to ascertain the stationarity of the data used in the study. Variables are said to be stationary once they have constant mean and variances in repeated sampling over time. Thereafter, the Engle-Granger single equation cointegration test is employed to examine the possibility of having long-run relationship among the variables within the model, which enhances the efficiency and predictive ability of the coefficients.

The study employed the Granger causality test to investigate the interaction amongst these three variables. Before the estimation of the VAR, the Schwartz information criteria (SIC) was used to determine the optimal lag length selection criteria. The vector autoregression (VAR) model was used to estimate the
regression parameters. The VAR model is good in making forecasts, testing for the interrelationship between the endogenous and exogenous variables, and in determining the dynamic relationship among the variables of a model. According to Gujarati (2006), if there is true simultaneity among a set of variables, they should all be treated on an equal footing; there should not be any a priori distinction between endogenous and exogenous variables. The VAR is required in the analysis because the errors generated from the VAR results will be used to examine the variance decomposition of the variables. For instance, the variance decomposition of unemployment is used to determine the proportion of changes in unemployment that are explained by poverty and insecurity. This is also applied for the unemployment and insecurity model.

In order to further examine the interactive effect of the variables of the model, the impulse response function (IRF) was employed. The IRF sets to examine the response of one variable to shocks from the other two variables for example, the IRF for unemployment examines the response of unemployment to shocks from poverty and insecurity.

4. Data Analysis and Presentation
This section presents the estimated results and the interpretation of the results to arrive at a conclusion, and then draw up policy implication of the results. The analysis starts by explaining the descriptive statistics of the variables used.

4.1 Descriptive Statistics of the Variables of the Model
Table 2 shows the descriptive values of the variables employed in our estimation process. It shows that on the average, 138.69m was spent by the government on security, with the lowest amount of government expenditure on security in a year being 11.06m. The implication of this is that massive funds have been released as a result of the state of insecurity in the country. The table also revealed that on average, 59.59% of the population are living below the poverty line, and the highest percentage of people living below the poverty line recorded is 70.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Mean</th>
<th>Median</th>
<th>Maximum</th>
<th>Minimum</th>
<th>Std. Dev.</th>
<th>Skewness</th>
<th>Kurtosis</th>
<th>Jarque-Bera</th>
<th>Probability</th>
<th>Sum</th>
</tr>
</thead>
<tbody>
<tr>
<td>COR</td>
<td>106.0714</td>
<td>125.5000</td>
<td>152.0000</td>
<td>52.0000</td>
<td>39.46393</td>
<td>-0.385006</td>
<td>1.457196</td>
<td>3.468689</td>
<td>0.176516</td>
<td>2970.00</td>
</tr>
<tr>
<td>EDU</td>
<td>58.72500</td>
<td>57.00000</td>
<td>66.90000</td>
<td>52.0000</td>
<td>3.864523</td>
<td>0.701321</td>
<td>3.088896</td>
<td>3.864523</td>
<td>0.315921</td>
<td>1644.300</td>
</tr>
<tr>
<td>GWTH</td>
<td>578111.7</td>
<td>329178.7</td>
<td>3569994.</td>
<td>265379.1</td>
<td>706075.0</td>
<td>0.701321</td>
<td>3.859921</td>
<td>3.864523</td>
<td>0.315921</td>
<td>12140345</td>
</tr>
<tr>
<td>INE</td>
<td>42.08250</td>
<td>42.30000</td>
<td>50.20000</td>
<td>37.3000</td>
<td>2.378971</td>
<td>0.837126</td>
<td>6.704331</td>
<td>3.864523</td>
<td>0.315921</td>
<td>1178.310</td>
</tr>
<tr>
<td>INS</td>
<td>138.6921</td>
<td>75.16500</td>
<td>417.6600</td>
<td>11.0600</td>
<td>141.5462</td>
<td>0.745378</td>
<td>2.124180</td>
<td>3.864523</td>
<td>0.315921</td>
<td>3883.380</td>
</tr>
<tr>
<td>POV</td>
<td>59.59286</td>
<td>65.60000</td>
<td>70.00000</td>
<td>11.0600</td>
<td>9.986915</td>
<td>-0.599678</td>
<td>1.827882</td>
<td>3.864523</td>
<td>0.315921</td>
<td>1668.600</td>
</tr>
<tr>
<td>UNEMP</td>
<td>11.55000</td>
<td>42.70000</td>
<td>70.00000</td>
<td>27.4000</td>
<td>7.556871</td>
<td>0.372647</td>
<td>2.169138</td>
<td>3.864523</td>
<td>0.315921</td>
<td>323.4000</td>
</tr>
</tbody>
</table>

Source: Author’s computations
The result of the descriptive statistics of the unemployment rate revealed that up to 27.4% of the labour force is unemployed, and on average, the unemployment rate stood at 11.55%. The analysis also indicated that on the average, Nigeria was ranked 106 as a less-corrupt state. The implication of this is that the Nigerian economy is highly corrupt. The result also showed that the highest ranking of Nigeria based on corruption from 1990–2017 was 152, while the lowest ranking was 52. Also, the literacy rate, which measures the level of education, revealed that on average, 58.7% of the people were literate throughout the period of study; although, it went as low as 52% and as high as 66.9%. The tables also give the result of the Jarque-Berra test. The result revealed the normality of the variables employed. The purpose of the test was to ascertain if the null hypothesis of the variables are normally distributed or not.

4.2 The Correlation Test

The study conducted a correlation test to investigate the existence of a long term relationship among the variables of the model, also to determine the presence of multicollinearity among the variables, as a strong presence of multicollinearity will make the models inestimable. Table 3 presents the results.

<table>
<thead>
<tr>
<th></th>
<th>COR</th>
<th>EDU</th>
<th>GWTH</th>
<th>INE</th>
<th>INS</th>
<th>POV</th>
<th>UNEMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>COR</td>
<td>1.00</td>
<td>0.75</td>
<td>0.19</td>
<td>0.22</td>
<td>0.78</td>
<td>0.35</td>
<td>0.86</td>
</tr>
<tr>
<td>EDU</td>
<td>1.00</td>
<td>0.13</td>
<td></td>
<td>0.22</td>
<td>0.85</td>
<td>0.17</td>
<td>0.67</td>
</tr>
<tr>
<td>GWTH</td>
<td>1.00</td>
<td>0.14</td>
<td>0.14</td>
<td>0.28</td>
<td>0.36</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INE</td>
<td>1.00</td>
<td>0.12</td>
<td>0.48</td>
<td>0.27</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>INS</td>
<td>1.00</td>
<td>0.19</td>
<td>0.84</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>POV</td>
<td>1.00</td>
<td>0.47</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>UNEMP</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1.00</td>
<td></td>
</tr>
</tbody>
</table>

The correlation results show that there is no strong presence of high multicollinearity in the model as none of the explanatory variables correlation coefficient is as high as 0.90, thus allowing the estimation of the equations to be possible.

4.3 Unit Root Test

It is important that the series are tested to avoid the unit root problem where long-run coefficients are unstable, which renders policy implications faulty. To do this, the paper uses the Augmented Dickey-Fuller and Philips-Perron unit root test technique, which tests the null hypothesis of unit root against the alternative hypothesis of stationary values. Also, the test can be conducted at level, and if it is not stationary, then it can be tested at first difference. When the ADF and PP test statistics is greater than the ADF and PP critical values, we reject the null hypothesis, else, we fail to reject the null hypothesis of unit root. The results are shown in Table 4.

---

**Tanzanian Economic Review, Volume II, Number 1, 2021**
Table 4: Unit Root Test

<table>
<thead>
<tr>
<th>Variables</th>
<th>ADF at Level</th>
<th>ADF at First Difference</th>
<th>PP at Level</th>
<th>PP at First Difference</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Test Statistics</td>
<td>5% Critical Value</td>
<td>Test Statistics</td>
<td>5% Critical Value</td>
<td>Test Statistics</td>
</tr>
<tr>
<td>COR</td>
<td>-1.003378</td>
<td>-2.97626</td>
<td>-4.41029**</td>
<td>-2.98104</td>
<td>-1.003</td>
</tr>
<tr>
<td>GWTH</td>
<td>-4.37402**</td>
<td>-3.02069</td>
<td>-3.021</td>
<td>-</td>
<td>-3.021</td>
</tr>
<tr>
<td>INE</td>
<td>-8.58610**</td>
<td>-3.01236</td>
<td>-5.391**</td>
<td>-2.976</td>
<td>-</td>
</tr>
<tr>
<td>INS</td>
<td>-1.543444</td>
<td>-3.00487</td>
<td>-2.98104</td>
<td>-2.98104</td>
<td>0.738</td>
</tr>
<tr>
<td>UNEMP</td>
<td>-1.489122</td>
<td>-2.97626</td>
<td>-4.00658**</td>
<td>-2.98104</td>
<td>-1.555</td>
</tr>
</tbody>
</table>

Source: Author's Computation

The result of the unit root test shows that out of the variables examined, growth and inequality are stationary at level as their test statistics at level are greater than the 5% critical value. However, for other variables, their test statistics at level are lower than the 5% critical value, while at the first difference, their test statistics are greater than the 5% critical value; meaning that their order of stationarity is at first difference.

4.4. Granger Causality Test

In order to further test the interactive effects of poverty, unemployment and insecurity, we employ the Granger causality test to test if one variable is the cause of the other variable, i.e., to determine if the relationship is unidirectional or bidirectional. From the result in Table 5, one can see that unemployment rate does not cause a change in the extent of poverty rate and poverty does not statistically causes changes in unemployment rate.

Table 5: Granger Causality Test Result

<table>
<thead>
<tr>
<th>Null Hypothesis:</th>
<th>Obs.</th>
<th>F-Statistic</th>
<th>Prob.</th>
</tr>
</thead>
<tbody>
<tr>
<td>UNEMP does not Granger Cause POV</td>
<td>26</td>
<td>0.12388</td>
<td>0.8841</td>
</tr>
<tr>
<td>POV does not Granger Cause UNEMP</td>
<td></td>
<td>0.56858</td>
<td>0.5748</td>
</tr>
<tr>
<td>INS does not Granger Cause POV</td>
<td>26</td>
<td>0.58422</td>
<td>0.5663</td>
</tr>
<tr>
<td>POV does not Granger Cause INS</td>
<td></td>
<td>0.23032</td>
<td>0.7963</td>
</tr>
<tr>
<td>INS does not Granger Cause UNEMP</td>
<td>26</td>
<td>4.00346</td>
<td>0.0337</td>
</tr>
<tr>
<td>UNEMP does not Granger Cause INS</td>
<td></td>
<td>4.76095</td>
<td>0.0197</td>
</tr>
</tbody>
</table>

Source: Author's Computation

Again, the result reveals that the worsening state of insecurity does not granger cause changes in poverty as poverty also does not granger cause changes in the state of insecurity. However, the result reveals that the worsening state of insecurity granger causes unemployment and also, unemployment statistically and significantly granger causes insecurity. The implication of this result is that the worsening state of insecurity leads to increase in unemployment, while increases in unemployment is also a major cause of insecurity.
4.5 Variance Decomposition of Poverty to changes from Insecurity

Table 6 shows the estimation of the VAR model; and from the VAR model, the variance decomposition and impulse-response functions.

<table>
<thead>
<tr>
<th>Period</th>
<th>Poverty</th>
<th>UNEMP</th>
<th>Corruption</th>
<th>Insecurity</th>
<th>Growth</th>
<th>Education</th>
<th>Inequality</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>100.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>2</td>
<td>84.74</td>
<td>0.18</td>
<td>2.95</td>
<td>0.03</td>
<td>1.04</td>
<td>10.80</td>
<td>0.25</td>
</tr>
<tr>
<td>3</td>
<td>78.64</td>
<td>0.57</td>
<td>4.54</td>
<td>0.76</td>
<td>1.59</td>
<td>13.66</td>
<td>0.23</td>
</tr>
<tr>
<td>4</td>
<td>74.51</td>
<td>1.15</td>
<td>5.97</td>
<td>4.84</td>
<td>1.87</td>
<td>13.74</td>
<td>0.23</td>
</tr>
<tr>
<td>5</td>
<td>71.40</td>
<td>1.51</td>
<td>6.80</td>
<td>1.61</td>
<td>1.59</td>
<td>13.35</td>
<td>0.23</td>
</tr>
<tr>
<td>6</td>
<td>68.92</td>
<td>1.71</td>
<td>7.19</td>
<td>2.13</td>
<td>1.87</td>
<td>12.85</td>
<td>0.23</td>
</tr>
<tr>
<td>7</td>
<td>67.03</td>
<td>1.76</td>
<td>7.25</td>
<td>3.40</td>
<td>1.88</td>
<td>12.49</td>
<td>0.23</td>
</tr>
<tr>
<td>8</td>
<td>65.28</td>
<td>1.74</td>
<td>7.14</td>
<td>3.11</td>
<td>1.82</td>
<td>12.26</td>
<td>0.23</td>
</tr>
<tr>
<td>9</td>
<td>64.75</td>
<td>1.71</td>
<td>6.98</td>
<td>2.94</td>
<td>1.78</td>
<td>12.14</td>
<td>0.23</td>
</tr>
<tr>
<td>10</td>
<td>62.99</td>
<td>1.69</td>
<td>6.89</td>
<td>2.52</td>
<td>1.75</td>
<td>12.06</td>
<td>0.23</td>
</tr>
</tbody>
</table>

Source: Author’s Computation

The findings in Table 6 reveal that 100% of shocks in poverty were explained by poverty itself in the first year, but this experienced a gradual fall in the tenth period to 63%. Also, from the result, 0.0% of shocks in poverty were explained by insecurity in the first period, which rose to 4.84% in the fifth period; and also more than doubled after the 10th period accounting for 14.35% of shocks in poverty; which is the highest amongst growth, educational improvement, inequality, and corruption. This obviously shows that insecurity accounted for the greatest shocks experienced in poverty in the long run.

![Response of Poverty to Impulses from Insecurity](image)

**Figure 1: Response of Poverty to Impulses from Insecurity**
Figure 1 reveals the result from the Cholesky one S.D. innovation, of which all of the variables are up to ten periods. As Figure 1 portrays, poverty positively and significantly responded to insecurity from period 2 to the tenth period, and this was felt greatly in the 6th period. The implication of this is that poverty positively responds to shocks from insecurity. Thus, insecurity is a positive determinant of increases in poverty in Nigeria.

4.6 Variance Decomposition of Unemployment to Changes from Insecurity

Table 7 reveals that 100% of shocks in unemployment were explained by unemployment itself in the first year, but this experienced a great fall in the tenth period to 19.02%.

Table 7: Variance Decomposition of Unemployment to changes from Insecurity

<table>
<thead>
<tr>
<th>Period</th>
<th>UNEMP</th>
<th>Poverty</th>
<th>Corruption</th>
<th>Insecurity</th>
<th>Growth</th>
<th>Education</th>
<th>Inequality</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>100.0000</td>
<td>0.000000</td>
<td>0.000000</td>
<td>0.000000</td>
<td>0.000000</td>
<td>0.000000</td>
<td>0.000000</td>
</tr>
<tr>
<td>2</td>
<td>88.02564</td>
<td>5.831316</td>
<td>0.285410</td>
<td>1.195034</td>
<td>0.042265</td>
<td>4.606380</td>
<td>0.013951</td>
</tr>
<tr>
<td>3</td>
<td>70.85926</td>
<td>15.32893</td>
<td>0.513500</td>
<td>8.267389</td>
<td>0.218419</td>
<td>4.605152</td>
<td>0.207349</td>
</tr>
<tr>
<td>4</td>
<td>56.23072</td>
<td>21.96190</td>
<td>0.606031</td>
<td>16.20585</td>
<td>0.310764</td>
<td>4.144352</td>
<td>0.540373</td>
</tr>
<tr>
<td>5</td>
<td>44.89224</td>
<td>26.06603</td>
<td>0.635671</td>
<td>23.73806</td>
<td>0.391057</td>
<td>3.527929</td>
<td>0.749023</td>
</tr>
<tr>
<td>6</td>
<td>36.59974</td>
<td>28.02110</td>
<td>0.656420</td>
<td>30.39767</td>
<td>0.424517</td>
<td>2.943422</td>
<td>0.957130</td>
</tr>
<tr>
<td>7</td>
<td>30.39769</td>
<td>28.82327</td>
<td>0.698048</td>
<td>36.09501</td>
<td>0.438337</td>
<td>2.444073</td>
<td>1.103581</td>
</tr>
<tr>
<td>8</td>
<td>25.66666</td>
<td>28.92249</td>
<td>0.769750</td>
<td>40.93706</td>
<td>0.439623</td>
<td>2.032356</td>
<td>1.238061</td>
</tr>
<tr>
<td>9</td>
<td>21.96941</td>
<td>28.70686</td>
<td>0.873933</td>
<td>44.98285</td>
<td>0.420880</td>
<td>1.698779</td>
<td>1.347286</td>
</tr>
<tr>
<td>10</td>
<td>19.02427</td>
<td>28.35648</td>
<td>1.004501</td>
<td>48.33705</td>
<td>0.403209</td>
<td>1.428442</td>
<td>1.446055</td>
</tr>
</tbody>
</table>

Source: Author’s Computation

Also, from the results, 0.0% of shocks in unemployment were explained by insecurity in the first period; and this rose to 23.74% in the fifth period, and also more than doubled after the 10th period to 48.34% of shocks in unemployment. Also, it is the highest amongst growth, educational improvement, inequality, and corruption. This obviously shows that insecurity accounted for the greatest shocks experienced by the incidence of unemployment in the long-run. The further implication of this finding is that insecurity does not have an immediate impact on the rate of unemployment as people can still find ways of retaining their jobs. However, in the long-run, social unrest increases the tendency of citizens to seek relocation, thereby losing their jobs and thus impacting negatively on unemployment.

Figure 2 depicts the accumulated responses of unemployment to Cholesky one S.D. innovation of which all of the variables are up to ten periods.

As Figure 2 portrays, unemployment positively and significantly responded to insecurity from period 1 to the tenth period, and this was felt greatly in the 10th period. The implication is that unemployment positively responds to shocks from insecurity, and it is greatest amongst all variables. Thus, insecurity is a positive determinant of increases in unemployment in Nigeria.
5. Summary, Conclusion and Recommendations

5.1 Summary

This study investigated the interactive effects of unemployment, poverty and insecurity in Nigeria, and the responses of poverty and unemployment to the emergence of insecurity in Nigeria. The Granger causality result shows that the worsening state of insecurity leads to increase in unemployment, while increases in unemployment is also a major cause of insecurity. However, insecurity does not have an immediate impact on the rate of unemployment as people can still find ways of retaining their jobs. The empirical results also show that as government expends more money on security issues, the poverty profile of Nigeria becomes better, but it does not reduce the prevalence of unemployment in the country. Again, as more people fall below the poverty line, the rate of unemployment increases, forcing the government to disburse more money on security.

The impulse response result shows that poverty and unemployment significantly and positively responds to shocks from insecurity, implying that an upsurge in insecurity will bring about increases in both poverty and unemployment in Nigeria in the long run. Furthermore, the results of the variance decomposition shows that amongst the variables of the model, insecurity accounted for the greatest shocks experienced in poverty and in unemployment in the long-run, though insecurity does not have an immediate impact on the rate of unemployment. That is, increase in poverty and unemployment is majorly attributed to increase in insecurity.
5.2 Policy Recommendations

The paper recommends that the government quickly ensure that the issue of insecurity is dealt with more seriously than hitherto, which will drastically reduce poverty and unemployment. This can be achieved by laying harsh criminal penalties on culprits when caught as a deterrent. In this regard, a strong and committed armed force, together with a fair, impartial and efficient judicial system and are required to achieve this.

Also, the government must concentrate on generating employment irrespective of the security situation, though the findings show that the impact of insecurity on unemployment is not instant. When people are employed, busy, and can earn income; they cannot easily be lured to commit acts of insecurity. Generating employment can be done through private-public partnership, making macro- and micro-economic policies that will allow both local and international businesses to thrive and encouraging the establishment of small- and medium-enterprises, especially among the youths.

Efforts must be geared towards reducing poverty as the study findings show that poverty accounts for the reason why people are lured into committing crimes, insurgency, and other acts of insecurity. This can be achieved by ensuring that policies are tailored towards the poor, benefit poverty alleviation programmes, ensure inclusive-growth, reduce corruption, especially among government functionaries, and reduce the inequality gap.

References


