National Security and Sustainable Development: The Nigerian case

Ejuvbekpokpo Stephen Akpo, Sallahuddin Hassan

Abstract
The symbiotic relationship between national security and sustainable development is a sine qua non in terms of security of life and property of any nation. There seems to be a rising trend of insecurity in the world over and Nigeria in terms of the Boko Haram insurgency in particular. The rise in cost of security in the world today is as a result of its importance in development process. The Nigeria of today, especially since the advent of the present democratic dispensation, new forms of violent crimes have become common. These include, kidnapping for ransom, pipeline vandalization, rape, political violence and more, which have affected the Nigerian economy adversely. National security is a precondition for economic and sustainable development as much as economic and social development is a precondition for national security. An x-ray of palliative measures in the past leaves much to be desired. Statistical data on the toll of insecurity in our study has reached an alarming proportion and condition. The concept of violence conflicts, mass poverty, insecurity of life, armed robbery, poor quality of infrastructure, decay of social services and militancy both as an instrument of disempowerment on one hand and as a tool of emancipation on the other, will be examined using statistical method of analysis. As a matter of legacy, the improvement in national security attracts both domestic and foreign investors, which leads to increase in the level of aggregate investment in the domestic economy. The way out of this sticky situation is the main focus of this paper.

Keywords: Nigeria, National Security, Sustainable Development and Aggregate Investment

1. Introduction
The outcome of sustained economic growth and development must be reflected in the improved standard of living of the people over-time. Economic development has always been propelled by classes and groups interested in a new economic and social order. It has never been a linear process; economic development remains an ideological struggle. There are social forces who wish to preserve the status quo and those who want to change it. As reported by Ekpo (2013) [5], that it has ups and downs but when smoothened over-time, majority of citizens must see improvements in their standard of living; poverty must be seen to have been drastically reduced; those willing and able to work have jobs; there must be improvement in both the quantity and quality of social services in terms of educational attainment; standard of living and considerable life expectancy. All these constitute the development imperative of developing countries of the world and indeed, remain the normative goal of the international community. However, for Nigeria and most African countries the economies are in an abysmal state. According to Orji (2012), the worsening economic conditions have been generating a mix of domestic social and political tension. Normally, citizens expect their governments to provide them with political stability and socio economic security, including employment, healthcare and shelter, the non-fulfillment of which breeds discontent and social unrest or even serious political challenge. Unfortunately, Nigeria is, today plagued with social disorder, insecurity, poverty, illiteracy, balance of payment deficit, poor health statistics, ethnic and religious conflicts, corruption, crime and criminality and political crisis and all these mean that we are very insecure in terms of human well-being. In this state of things development is elusive like a mirage! Oshio (2009)[15].

In this connection, it is easy to establish a nexus between national security and development. Accordingly, it is meaningless to talk of development in the absence of national security. In other words, insecurity in a nation is a threat to development hence the topic National Security and sustainable development is well suitable for this discourse.

There seems to be a rising trend of insecurity in the world all over. International intervention
has been undertaken for various reasons: ending or preventing genocide, ending terrorist activities aimed at other countries or protecting and looking after refugees. Beyond these and other goals, Adams (2009) [1] said that interventions are also directed towards development. Security and development are obviously mutual preconditions.

According to Todaro and Smith (2011) [22], since the early 1970s, security expenditure has been on the rise, such spending in the Middle East and North Africa averaged annual increase of 22%. In 1995, total military expenditure by developing countries amounted to $1.54 billion accounting for 19.3% of total security expenditure of the world, while cost on national security rose to $4.76 billion, accounting also for 22.4% of world total security expenditure. The rise in cost of security in the world as a whole is as a result of its importance in development process. The various development goals of Nigeria have been written in vision statements, such as the Vision 2020, NEEDS, MDG’s, etc. These visions, that once gave the people hope, are gradually becoming a mirage. According to Otto and Ukpere (2012) [16], the Nigerian society is getting more and more insecure, more people are getting into crimes and they are getting more ruthless, desperate and sophisticated. The Nigeria of today, especially since the advent of the present democratic dispensation, new forms of violent crimes have become common; these include kidnapping for ransom, pipeline vandalization, Boko Haram bombings, rape, political violence and more, which have affected the Nigerian economy adversely (Joseph, 2011) [8].

National security is a precondition for economic and social development as much as economic and social development is a precondition for national security. Some researchers, such as Adams (2009) [1] and Beijer (2010) [2], said that there is a trade-off between national security and economic development. This implies that the cost of security reduces development. Beijer (2010) [2] said that the process of enhancing security leads to reduced investment for growth. The above view has been opposed by Claudia (2010) [4]. He said the cost on security may affect development, but only in the short run. In the long run, security enhances growth. Claudia (2010) [4] added that economic and social development is not possible without national security. Both domestic and foreign investors are induced to invest in an economy with maximum security for life and property, and low risks. The expected returns on investment cannot be accrued if there is insecurity. Also, government development projects cannot be realized when there is insecurity, which implies that security is essential for development as asserted by Yero (2010); Zingel(2010)[23, 24].

It is widely agreed that security should be the responsibility of all and sundry, not restricted to government, the military, the Police force, or security agencies. Since the end of the cold war, it is believed that security and development are interlinked, interdependent and mutually reinforcing. And this may have informed the rise in security expenditure in many countries. Huge amounts of money are budgeted annually for defence and internal security. This work, therefore, attempts to assess the impact of national security on economic development in Nigeria. The rest of this paper is structured as follows: section 2 briefly discusses the extant literature precisely, the national security profile and the role of government. In section 3, the empirical evidence is examined, while method of analysis, model specification, analysis and interpretation of result in section 4. The last is policy implications, summary and conclusion in section 5.

Nigeria’s Security Profile
The security profile of Nigeria has been very poor, despite the huge cost of security annually. Oshio (2009)[15] ascribed the poor level of security in the country to certain factors. First, bribery and corruption are now so endemic in our country nowadays to require any definition. This includes all dishonest and illegal acts in return for money or personal gain. Indeed, in a country rated as the most corrupt nation in the world few years ago, it is unnecessary to define the term corruption.

According to Oshio (2009) [15], in Nigeria, corruption is not a series of accidental occurrences resulting from defective individual character; it is not the characteristic of any ethnic, cultural, religious groups. Since 1960, corruption has been an essential tool in the hands of the ruling class in Nigeria, for the accumulation of wealth and for the seizure and sustenance of political power. Unable to organize a productive economy, generally unconcerned about productive generation of wealth, lacking a sense of historical mission, our rulers have used state power essentially as a base for leading a style and standard of living that cannot be sustained without helping themselves to the treasury (Omotola, 2008; and Imoni,2011)[13, 7]. The history of our country, both during military dictatorships (1966-79; 83-99), and the civilian regimes (1963-66, 1979-83, 1999 – date) is history of progressive development of the culture of corruption. Thus, despite the existing laws and the presence of anti-corruption agencies like the ICPC and EFCC today, bribery and corruption strive in our nation. Indeed, allegations are rife that some officials of these agencies have been compromised either by the ruling class or by those being investigated to the point that they are recording little or no success in the fight against corruption (Oshio, 2009; Oyeshola, 2008)[15, 18].

The Niger Delta crisis is another serious issue. This crisis started with the call for resource control. Oshio (2009)[15] said this call is not evil in itself. It is a simple demand for a part of the proceeds of the huge resources exploited from the area, to be used for the development of the area which has since been left devastated through drilling activities leaving the area helpless with poverty, pollution and youth restiveness. It is important to note that crime and violence are other causes of the high level of insecurity in Nigeria. It needs no citation of authority to establish the overwhelming presence of crime and violence in Nigeria today. Kidnapping has become a very fast-growing industry enriching the criminals with millions of Naira on daily basis. The Police and the SSS appeared to be compromised while the government is either insensitive or helpless too. The Billions of Naira voted for security both at State and Federal levels for inexplicable reasons are not made available to combat these problems. Meanwhile citizens continued to pay their taxes and fulfill other obligations to the Government of the day amid this state of insecurity, fear and disillusion. Similarly, electioneering campaigns and indeed the election itself are marred with violence and riggings. Even judicial intervention in some cases ordering re-run polls or even nullifying elections do not appear to deter violence in subsequent election. Rather, there are attempts even to compromise the judiciary directly or indirectly today leading
The role of government
In the present dispensation, issues bordering on national security are very critical for the goals and aspiration of the society of any economy. This assertion is against the backdrop of the truism that sustainable development is a function of an enabling environment. Our discourse on national security is not limited to the protection of territorial boundaries even though it is implied. The concept of the security of any nation encompasses other vital areas such as environmental protection, social and food security and more especially the prevalence of internal peace.

As reported by Lumumba–Kasonjo (2005)[9] that, the role of government (the administrative tool of any nation) is (i) ‘to protect our freedom from the enemies outside our gates (ii) to preserve law and order’, inter-alia. The international community and indeed the operational apparatus of concerned nations employ these indices as a yardstick for measuring the success or failure of underdeveloped economies. Oyovbaire (2007)[19] notes that the World Bank in February 2007 reclassified Nigeria alongside over fifty other developing nations like Sao Tome, New Guinea, Djibouti as a ‘fragile’ state even though much earlier the same polities have been disarmingly branded as ‘failed’ states. These states have been stigmatized for their wanton inability to engage their citizens in productive ventures that would guarantee, amongst others, security of life and property, protection of human rights and the provision of basic public utilities for meaningful development, the lack of state apparatus to contain territorial assault and the possible outbreak of civil war. It is in the light of these realities that we are going to consider the state of security in the Nigeria.

Empirical Review
Otto and Ukpere (2012)[16] carried out a research on the impact of national security on growth. Though this work is about national security and development in Nigeria, the work was able to juxtapose the national security expenditure with the spending pattern and growth. This is because growth is critical to development. A stagnating economy is not likely to offer welfare improvements which development proxies. The work examines the nexus between national security and development in Nigeria. It uses public spending on security as proxy for security and the gross domestic product (GDP) as proxy for development. The work observes that there is a positive relationship between security and development in accordance with literature.

In another study by Odesuwa (2011)[12], assert that insecurity in Nigeria has reduced the rate of foreign direct investment in the country. The period of 1990 to 1999 has average FDI inflows of 42% in Nigeria; however, the period of 2000 to 2009 gave an average rate of FDI inflows of 28%. The reduction in FDI inflows adversely affects exports and growth. Similarly, Shadare (2011)[20] found out that insecurity in Nigeria negatively affects the level of investment in the country. It reduces both domestic and foreign investment. He added that insecurity has affected all sectors of the Nigerian economy.

Shadare (2011)[20] said that insecurity in Nigeria has affected Air transport negatively. It scars away passengers and is like draining blood from a man, it drains the resources that could have been used to improve safety, including finance and time. It induces multiple levels of security checks at the airports with the attendant stress on the traveling public. Otto (2008)[17] has shown that insecurity took a great toll on oil production in Nigeria between 1999 and 2008 Nigeria was producing at about 10% of its potentials of 3.4 million barrels of crude oil per day in 2007. As at today, the cost of petroleum production in Nigeria is higher than it was before 1999 because of the higher security expenditure for now. So insecurity also increases the unit cost of doing business in Nigeria. Apart from the fall in output and the increase in unit cost of production, many firms in different industries relocated away from the Niger Delta in particular. And some left the country completely. Example, include Michelin, Dunlop, among several others to other West African countries. Thus, insecurity affects both domestic and foreign investment in Nigeria (Otto and Ukpere, 2012)[16].

Some researchers claimed that an insecure environment impinges directly on development; it disenfranchises communities, contributes to poverty, distorts economies, creates instability and stunts political development. In Nigeria, apart from the millions of people who had been killed in course of one security breach or another, sources of livelihood were destroyed, families got disintegrated and social infrastructure were disrupted (Tagba, 2011; Gbenga and Augoye, 2011)[21, 6]. According to Gbenga and Augoye (2011)[6], insecurity is a result of malignant environment dominated by man’s insensitivity to man. Many people in authority take advantage of their positions to force down policies that impoverish the many in so much as it benefits them and a few others.

In another empirical study carried out by Imoni (2011)[7], he found out that costs of national security have negative impact on GDP. According to him, a rise in the costs of national security implies that there is a reduction in public funds available for development projects. This finding has been observed by many researchers in their individual empirical works. Also, Ngagi (2011)[11], in empirical investigation used Granger tests to test whether growth promotes national security or whether national security is determined by the level of output. The finding based on this estimation was inconclusive in the sense that causality runs from economic growth to security. They do not show that national security has a significant impact on growth.

In another scenario, Claudia (2010)[4], for instance, also used Granger-Causality test and found that there is a bi-directional relationship between both cost of security and GDP. However, with advances in time series econometric techniques, more recent studies have tended to focus on vector error-correction model (ECM) and the cointegration approach, while others are based on the ordinary least squares (OLS) technique. Odesuwa (2011)[12] used cointegration analysis to study this relationship in Nigeria and the flow of causality is found to be running from GDP to national security. He did a robustness test, unlike most studies, but failed to measure the extent of autocorrelation in the model.
Method of Analysis
This study examined national security and sustainable development: the Nigerian case. The study employs data mainly from the secondary source which are obtained from the CBN publications. The time series data cover the period of 1980-2012. In an attempt to estimate the relationship between national security and sustainable development in Nigeria, the following were used; gross domestic product (GDP) as the dependent variable and cost of internal security (COS) and cost of defense (COD) as the explanatory variables in the first equation, and total investment (INV) as the dependent variable and cost of internal security (COS) and cost of defense (COD) as the explanatory variables in the second equation. This relationship was estimated with the aid of econometric software using Ordinary Least Square technique. The model for this study anchors on earlier studies like [Maduka, 2009; Odesuwa, 2011; Otto, 2012] with slight modification. The models are specified in functional form below as:

Model I

Model I can be stated implicitly below:

\[ \text{GDP} = f(\text{COS}, \text{COD}) \]

Where:
- GDP: Gross Domestic Product
- COS: Cost of Security
- COD: Cost of Defense

The log linear expression of the above model is presented as:

\[ \log(GDP)_t = \alpha_0 + \alpha_1 \log(COS)_t + \alpha_2 \log(COD)_t + u_t \]

\[ \alpha_1 > 0, \quad \text{and} \quad \alpha_2 > 0. \]

\[ u_t = \text{Stochastic variable or error term}. \]

An improvement in national security, through increased costs on both internal security and defense, has positive impact on economic growth, proxied by GDP.

Model II

Model II can be stated implicitly below:

\[ \text{INV} = f(\text{COS}, \text{COD}) \]

Where:
- INV: Investment
- COS: Cost of Security
- COD: Cost of Defense

The log linear expression of the above model is presented as:

\[ \log(INV)_t = \beta_0 + \beta_1 \log(COS)_t + \beta_2 \log(COD)_t + u_t \]

\[ \beta_1 > 0, \quad \text{and} \quad \beta_2 > 0. \]

An improvement in national security will enhance the level of investment, through increase in both domestic and foreign investment.

Results and discussion
From the computation of the two regressions specified in the study, results were obtained. These results are presented below.

| Table1: Model I: OLS Results on Costs of Security and Gross Domestic Product (GDP) |
|-----------------|-----------------|-----------------|-----------------|
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
| LCOIS | 0.8848 | 0.2578 | 3.4319 | 0.0018 |
| LCOD | 0.8473 | 0.0930 | 9.1065 | 0.0000 |
| C | -5.7334 | 3.5275 | -1.6253 | 0.1149 |
| R-Squared: 0.84 | Adjusted R-Squared: 0.83 | F-Statistic: 60.14 | Durbin-Watson Stat: 2.16 |

The above results shows the impact of costs of security on economic growth, proxied by gross domestic product (GDP)

| Table2: Model 2: OLS results on costs of security and investment(INV) |
|-----------------|-----------------|-----------------|-----------------|
| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
| LCOIS | 0.1879 | 0.0480 | 3.9135 | 0.0007 |
| LCOD | 0.8494 | 0.0451 | 18.7991 | 0.0000 |
| C | 2.8275 | 1.7130 | 1.6505 | 0.1096 |
| R-Squared: 0.94 | Adjusted R-Squared: 0.93 | F-Statistic: 59.12 | Durbin-Watson Stat: 2.16 |

Source: researcher’s computation.

In order to establish the relationship between national security and sustainable development in Nigeria, the results are shown on table 1&2 above. The result shows that R-Squared of 0.84, only 84 percent of the systematic variations in GDP were explained by the explanatory variables. Also, in table2, R-Squared of 0.94, only 94 percent of the systematic variations in investment (INV) were explained by the explanatory variables. This is a high fit further buttressed by an F-Stat of 60.14 and 59.12 respectively. In addition, Durbin Watson (DW) statistics of 2.16 shows that no presence of serial correlation. On performance of the determinants, log(GDP) and log(INV) passed the t-test at 5 percent significance level respectively. From the results obtained above, the following observations are made. First, the study reveals that improvement in internal security leads to improvement in economic performance. It has a positive impact on gross domestic product (GDP). This is in line with the findings of Tagba (2011) who claimed that improvement in internal security stimulates economic activities which lead to economic growth. Secondly, the study reveals that an increase in cost of defense equally enhance economic growth and development.
There has been an increased role of the armed forces in ensuring national security in the country. The recent issues and challenges of insecurity in the country confirm this fact. The forces played, and still plays, a vital role in combating Boko Haram sect in the north and militants in the South. Lastly, the study reveals that national security has a significant impact on the level of aggregate investment. Both cost of internal security and cost of defence have positive impact on aggregate investment. This is also in line with Tagba (2011) conclusion. He said that improvement in national security attracts both domestic and foreign investors, which leads to increase in the level of aggregate investment in the domestic economy. Investors are more motivated to invest in economies with less risk and high level of certainty.

Conclusion and Recommendations

The few empirical studies on the impact of national security on economic growth consider costs of national security as a single factor, ignoring the costs of defence. This implies that the role of the armed forces in curbing the challenges of security is undermined. Thus, this study is an improvement over previous empirical works, since it includes the cost of defence. In Nigeria, like in most developing countries, the police, the military, and all security departments are involved in combating crimes. Hence, it is relevant to consider cost of defence in this study.

Some vital conclusions could be drawn from the findings of this study. First, it could be concluded that national security has a significant impact on economic growth in Nigeria. Rapid economic growth and social well-being constitute the development imperative of developing countries of the world and indeed, remain the normative goal of the international community. This involves the attainment of sufficient levels of economic growth to allow for a progressive improvement in the material standard of living of the populace. However, for Nigeria and most African countries the economies are in an abysmal state. The worsening economic conditions have been generating a mix of domestic social and political tension. Normally, citizens expect their governments to provide them with political stability and socio-economic security, including employment, healthcare and shelter, the non-fulfillment of which breeds discontent and social unrest or even serious political challenge.

Furthermore, it could be concluded that national security has significant impact on economic growth in Nigeria. Unfortunately, Nigeria is, today plagued with social disorder, insecurity, poverty, illiteracy, balance of payment deficit, poor health statistics, ethnic and religious conflicts, corruption, crime and criminality and political crisis and all these hamper investment, particularly foreign direct investment. In this state of things development is elusive like a mirage. Accordingly, it is meaningless to talk of development in the absence of national security. In other words, insecurity in a nation is a threat to development. Those who are in authority and claim to represent the people should listen and follow the aspiration of the wider majority including deepening democratic processes and experiences. Jobs should be created for the people.

Based on the conclusions drawn above, some relevant recommendations are stated. The government should allocate more funds to combat crime and insecurity in the country, since this has positive impact on national security. National security should be improved through collective effort of both internal security agencies and the military. There should be a

References