



Article

An Assessment of the Political Economy of Protracted Conflict in North-East Nigeria

Michael-Alisebh, J. C.¹, Inezi Patrick Upah²

1. Department of Peace and Conflict Resolution Studies, Ignatius Ajuru University of Education, Rumuolumeni, Port Harcourt, Rivers State, Nigeria
2. The Metropolitan Hotel, Calabar

Abstract: This paper assesses the political economy underpinning protracted conflict in North-East Nigeria with a focus on how the distribution of power, resources, and economic opportunities sustains violence across multiple areas in the country. Boko Haram insurgency is often treated as discrete security problem. This study argues that conflicts are manifestations of a common political economy of exclusion, extraction, and elite competition. The paper used the political economy and conflict transformation theories to guide the study. The study used the primary and secondary data to generate the needed data. Findings indicate that insurgency North East Nigeria began with genuine socio-economic grievances, including educational neglect, economic marginalization, and high youth unemployment rates over 50% in states like Borno and Yobe. However, the conflict has shifted from grievance-driven to greed-driven recovery plans that have prioritized negative peace and cash transfers over transforming the economic relationships and institutions that make violence profitable. The key actors have refused to allow the conflict to escalate to a level that threatens the state because they don't want a declaration of a total war by the government and the international community which will eventually end the conflict and the benefits they derive from it. On the other hand, the conflict entrepreneurs and key actors have also refused the conflict to de-escalate into a lasting peace because they don't want to lose the lucrative business as conflict entrepreneurs. The equilibrium they are maintaining is to prolong the economic gains of the conflict. The paper further reveals that the insurgents, bandits, government officials, military personnel, traditional rulers, business men and women among others are using the conflict to make money through the payment of ransom by victims and the government. The paper concludes that protracted conflict in Nigeria is not merely a security failure but a political economy outcome. The paper recommends that without transforming the underlying political economy, peacebuilding will remain a mirage and conflict will remain protracted.

Citation: Michael A. J. B & Upah, I. P. An Assessment of the Political Economy of Protracted Conflict in North-East Nigeria. American Journal of Social and Humanitarian Research 2026,7(9). 187-192.

Received: 10th July 2026

Revised: 11th Aug 2026

Accepted: 24th Aug 2026

Published: 28th Sept 2026



Copyright: © 2026 by the authors. Submitted for open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (<https://creativecommons.org/licenses/by/4.0/>)

Keywords: *Political economy, Boko Haram, protracted conflict, Nigeria, Youth unemployment.*

1. Introduction

Conflict is a natural and inevitable phenomenon and has over the years formed part of human interaction arising from minor disagreements in the area of interest, needs, values or human perceptions. Conflicts manifest in various forms such as interpersonal disputes to large scale conflicts and wars between communities, states, groups, kingdoms and nations. The political economy of conflict deals with the complex interactions between economic and political factors that contribute to conflicts for material gains [1]. To support the above, Nordstrom opined that "the intricate networks of Shadow economies, profiteers and power brokers fuel the conflict and shape the global land scape". She focused her

study on Angola, Sri Lanka and Mozambique and revealed how hidden realities of war such as economic benefits and greed impact in individuals and societies.

The Boko Haram insurgency in Northeast Nigeria began with genuine socio-economic grievances, including educational neglect, economic marginalization, and high youth unemployment rates over 50% in states like Borno and Yobe [2]. Mohammed Yusuf's sermons echoed frustrations with corrupt governance and inequality. However, the conflict has shifted from grievance-driven to greed-driven, consistent with Collier and Hoeffler's position that prolonged conflicts evolve toward economic opportunism. A self-sustaining war economy now drives the insurgency: Kidnap-for-ransom operations generated about \$10.7 million between 2011 and 2020, incentivized by government negotiations despite denials. Control of Lake Chad Basin resources allows insurgents to tax fishing and farming communities, profiting from humanitarian aid diversion [3]. Arms trafficking thrives on captured military hardware sold regionally, perpetuating instability. Nigeria's defense spending rose from ₦348 billion in 2011 to ₦1.4 trillion by 2023, but much funds corruption rather than effective operations, reinforcing conflict [4]. This corroborates Collier and Hoeffler's thesis that greed-driven economic incentives dominate as conflicts endure.

Conceptual Review

Conflict

The term "conflict" has a multiplicity of meanings. To many people, conflict means a destructive tendency. However, conflict must not only be viewed from this negative perspective, as conflicts, inasmuch as it can be destructive, can sometimes lead to positive outcomes. According to Ihejirika, when people hear the word "conflict," images of war, fighting, misunderstanding, disagreements, anarchy, stress, crisis, aggressiveness, and so on pop into their heads between individuals, groups, communities, nations, and states. Those who view disputes negatively, as Ihejirika notes, are more likely to respond destructively to them. He suggests that keeping an optimistic outlook on disagreements is key to handling them in a productive way that leads to outcomes like more communication, better understanding, and stronger bonds [5].

Conflict, according to Swanstrom and Weissmann, is a complex phenomenon with overlapping dynamics and processes. They also stated that most individuals would compromise or negotiate if a dispute merely involved a choice between two options. However, power struggles are frequently present in conflicts, and how choices are made, how people communicate with one another, and unsolved issues from previous contacts all affect how things turn out. It's possible for many of these characteristics to be present at once, making it difficult to identify the true source of the issue [6].

For De Dreu and Weingart, the common understanding of the term "conflict" reflects the common belief that conflict comprises not only disagreements but also incompatible aims and that it is a "win-lose" situation. Indeed, studies that employ surveys asking individuals about conflicts, without specifying whether they are win-lose scenarios, frequently reveal a negative correlation between various forms of conflict and outcomes [7].

Conflict, according to Grey and Starke, occurs when one person or group acts in a way that obstructs the aims of another person or organisation. Conflict will happen if conduct is accompanied by hostile emotional displays. Conflict, according to Hellriegel and Slocum, is antagonism brought on by differences in goals, viewpoints, or emotions inside or between individuals, groups, departments, or organisations. The essence of opposition is to prevent someone or a group from achieving predefined goals, and doing so will surely lead to conflict because the party being prevented will immediately make an overt response. Conflict can also be defined as the expression of (overt or covert) conflicts among interdependent people [8].

2. Materials and Methods

Conflict management. Conflict management is a broad phrase that refers to any methods done to limit the horizontal and vertical escalation of a violent conflict's severity. Conflict management is based on the assumption that conflict is unavoidable and, while not always resolvable, can be controlled. Lederach asserts that the study of conflict management is essential because it aids companies in identifying and resolving issues. Conflict management is to promote positive behavioral changes among the parties involved in order to lessen current violence and prevent it from occurring again. Thus, conflict management is related to the internal procedures used by various agencies to address issues without completely removing them. Although some publications use the phrases interchangeably, it is important to understand that conflict management differs from conflict resolution when addressing problems.

According to Hughes, conflict management is the act of confining, reducing, or neutralizing a dispute without necessarily finding a resolution to the issue. Wallensteen and Swanstrom defined conflict management as changing harmful patterns of interaction into constructive patterns of interaction. For Zartman, effective conflict management requires the elimination of violent and violently associated activities as well as the political level transfer of responsibility for conflict resolution. In his thesis, he was challenged for a number of reasons, one of which is that non-governmental organizations (NGOs), academic institutions, and semi-formal organizations (track two) have become important actors and now have influence over the process of conflict resolution. Furthermore, it is contended that Wallensteen's emphasis on conflict management tends to concentrate primarily on the military dimensions of warfare.

Greed and Grievances theory of conflict stipulates that conflict are driven by greed for economic gains and not failure of government institutions. The political economy theory on the other hand deals with the complex interaction between economic and political factors that contributes to conflicts for material gains. Using both theories to analyze the protracted nature of the insurgency and banditry in Nigeria's North East, it is obvious that the insurgency and banditry in Northeast Nigeria are caused by greed and grievances on one hand, and economic and political influences for material gains on the other hand by the bandits, insurgents and the political class .

The study adopted a qualitative methodology, drawing on both primary and secondary sources. Primary data will be gathered through in-depth interviews, focus group discussions, and oral histories with community leaders, workers, policymakers, and residents of North-East Nigeria to capture live experiences of those impacted. Government reports also provided firsthand insights. Secondary data included but not limited to scholarly books, journal articles, and media reports that analyzed implications of the political economy of insurgency in North-East Nigeria.

The nature of the conflict in North-East Nigeria

From Grievance to Greed

The conflict has transverse from grievance to greed. The major grievances of the insurgents and bandits was refusal to accept western education, poverty, corruption by government officials, Islamization of the North among others. However, greed has superseded these initial grievances to create self-sustaining economic war thereby making economic gains through illicit markets in the Sambisa forest, mining of natural resources, payment of ransoms, security votes, illegal arms business among others.

3. Results

The political Economy of insurgency in North-East Nigeria. The major beneficiaries of the protracted conflicts in the Northeast beside the insurgents and bandits are the State

Governors, Local Government Council Chairman, political office holders, the traditional rulers, some security personnel, business men and women who trade on arms, food and drugs. The political leaders benefit through inflated security votes the budgets, procurement of ammunitions and fire arms contracts while the traditional rulers, bandits and insurgents benefit from illicit taxation and illegal mining of resources [9]. Nigerian state governors receive large, unaccountable "security votes," with Borno State's exceeding ₦1 billion monthly, mainly funding patronage and personal gain rather than security [10].

This reflects Reno's "shadow state" concept, where elites exploit conflict-driven budgets and donor funds for enrichment. At the federal level, the Office of the National Security Adviser has been involved in procurement fraud, notably the \$2.1 billion arms scandal where funds were diverted to campaigns and phantom contracts. The ongoing negotiation with bandits and insurgents are clear indication of government complicity and the transactional nature of the conflict. Again, since the outbreak of insurgency and banditry in the Northeast and other parts of Northern Nigeria, so many political and religious leaders have been accused as sponsors of the conflicts. Rather than arresting and prosecuting such persons, the Federal government paid deaf ears to such allegations. Supporting the above argument, Collier and Hoeffler) argued that "economic variables such as access to resources and opportunities for extortion play a significant role in the outbreak of civil wars. They further opined that rebellion is often motivated by greed, rather than grievances and that opportunities for predation and extortion can make rebellion more feasible and attractive".

On "Coup-proofing dividend" the term refers to the strategies and measures taken by governments to prevent or mitigate the risk of the *coup d'etat* through stability and security, protect the civilians, leadership, provide security, government institutions and conduct elections [11]. The civilian leadership controls the military through underfunding, under recruitment, inadequate military equipment and weapons thereby making it difficult for the military to use decisive force to end insurgency and banditry in the Northeast [12].

The system balance is strategically adopted to stage manage the conflict in other to have a balance that will attract continuous funding by the government for economic benefits. The key actors have refused to allow the conflict to escalate to a level that threatens the state because they don't want a declaration of a total war by the government and the international community which will eventually end the conflict and the benefits they derive from it. On the other hand, the conflict entrepreneurs and key actors have also refused the conflict to de-escalate into a lasting peace because they don't want to lose the lucrative business as conflict entrepreneurs. The equilibrium they are maintaining is to prolong the economic gains of the conflict [13].

The insurgents, bandits, government officials, military personnel, traditional rulers, business men and women among others are using the conflicts to make money through the payment of ransom by victims and the government. Corroborating the above, Reno argued that "the end of the cold war redefined the nature of leadership in Africa. Leaders cut off from overseas largess are now vulnerable to threats from strongmen, enterprising strongmen join with marginalized groups exploit regime weakness, opposing groups traffic in illegal drugs, weapons and natural resources and even forge foreign commercial partnerships". The study focused on Congo, Liberia, Nigeria and Sierra Leon. However, it mirrors what is happening in Northeast Nigeria.

Furthermore, the government officials and other sponsors of the conflict also make huge ransoms and purchases of ammunitions and other security gadgets at exorbitant prices for financial benefits. These political and economic incentives are the reasons for the protracted conflicts in the Northeast [14]. The major beneficiaries are the bandits, insurgents, State Governors, Council Chairmen, Political Office holders, community leaders, and some military officers among others. If there is a decisive military operation

and peace in the region, the conflict entrepreneurs will lose the political and economic incentives, hence the protracted nature of the conflict [15].

4. Discussion

The systemic feature of the conflict has made it very difficult to achieve a conventional peace-building and counter insurgency strategies because of the economic benefits derivable to the key actors and stakeholders in the conflict. The conflict management strategies have failed to achieve their stated objectives due to inadequate understanding of the political economy perspective of the conflict, deliberate sabotage by government officials, military personnel, traditional rulers, over reliance on military, inadequate intelligence, greed, poor funding among others. Our thesis on the whole is that the insurgency and banditry in Northeast Nigeria has become a lucrative enterprise with so much economic benefits. The conflict entrepreneurs who are the major beneficiaries of the conflict have derailed from the grievances and have adopted the greed approach to exploit the people of the region and the Nigerian state for personal gains. There is therefore the need for the Federal Government of Nigeria to re-strategize and tackle the dual menace of insurgency and banditry in the Northeast to achieve peaceful coexistence and sustainable development.

5. Conclusion

The political economy of insurgency and banditry conflicts in Northeast Nigeria reveals a complex web of factors such as economic interest, socio-economic grievances, greed and quest for political and religious dominances rather than failure of governance. The conflict in the Northeast has lingered so long because of the economic benefits accruable to the insurgents, bandits, government officials, business people, traditional rulers, international community among others.

REFERENCES

- [1] L. Agwadu and I. B. Namo, "Terrorism and the economy of North Eastern Nigeria, 2007–2017," paper presented at the 2nd Conference of the Nigerian Political Science Association (NPSA), Northeast Zonal Chapter, Federal University Kashere, Gombe State, Nigeria, 2018.
- [2] A. Amsami, "Post-conflict peacebuilding and economic recovery in North Eastern Nigeria," *International Journal of Scientific & Engineering Research*, vol. 10, no. 10, p. 333, 2019.
- [3] B. E. Awortu, "Boko Haram insurgency and the underdevelopment of Nigeria," *Research on Humanities and Social Sciences*, vol. 5, no. 6, 2015.
- [4] I. M. Audu and W. T. Bristone, "The socio-economic effects of Boko Haram insurgency in Hong Local Government Area of Adamawa State, Nigeria," *International Journal of Academic Research in Business, Arts and Science*, vol. 2, no. 1, pp. 40–63, 2020.
- [5] P. F. Ejiofor, "Beyond ungoverned spaces: Connecting the dots between relative deprivation, banditry, and violence in Nigeria," *African Security*, vol. 15, no. 2, pp. 1–31, 2022.
- [6] C. Nordstrom, *Shadows of War: Violence, Power, and International Profiteering in the Twenty-First Century*. Berkeley, CA, USA: University of California Press, 2004.
- [7] R. Onya and N. E. Akpan, "Boko Haram insurgency and the political economy of Northern Nigeria: An appraisal," 2020.
- [8] J. O. Olaniyi, *Introduction to Contemporary Political Analysis*. Ilorin, Nigeria: Tim Sal Publishers, 2001.

-
- [9] C. M. Anke and H. Paul, "Greed and grievances in civil wars," *Oxford Economic Papers*, vol. 56, no. 4, pp. 563–595, 2004.
- [10] W. Reno, *Warlord Politics and African States*. Boulder, CO, USA: Lynne Rienner Publishers, 1998.
- [11] B. Sule, M. A. Yahaya, A. A. Rabi, M. Ahmad, and K. Hussaini, "Strategies of combating insurgency in North-Eastern Nigeria: A non-traditional approach," *Journal of Administrative Science*, vol. 16, no. 2, pp. 54–75, 2019.
- [12] E. Ikpe, "Counting the development costs of the conflict in North-Eastern Nigeria: The economic impact of the Boko Haram-led insurgency," *Conflict, Security & Development*, vol. 17, no. 5, pp. 381–409, 2017, doi: 10.1080/14678802.2017.1371987.
- [13] T. U. Monday, "Political economy of insurgency in Nigeria: An analysis of Boko Haram sects in the Northeast," *Research on Humanities and Social Sciences*, vol. 7, no. 11, 2017.
- [14] O. I. Eme and C. C. Ugwu, "Boko Haram terrorism and its implications on business in Nigeria," *University of Nigeria Journal of Political Economy*, vol. 9, no. 1, 2019.
- [15] A. A. Tafida, A. L. Tukur, E. F. Adebayo, A. A. Ndaghu, J. I. Onu, and J. A. Momodu, "Boko Haram insurgency and livelihood vulnerability of rural households in Northern Adamawa State, Nigeria," *Research in Globalization*, vol. 6, Art. no. 100116, 2023, doi: 10.1016/j.resglo.2023.100116.