

Development Infancy: Explaining Unsecured Environments to Large-scale Industries in Nigeria from the Frustrated-aggression Theory Perspectives

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Abstract

This paper examines security challenges on large-scale industries toward achieving industrial development in Nigeria. This study does this within the framework of the frustration-aggression theory. Triangulation of sampling techniques (purposive, simple random, key informant) and methods (Focus Group Discussions, In-depth Interviews) of data collection were adopted. The paper identified extreme level of insecurity as an impediment to large-scale industrial growth. Unsecured environment arose from over-concentration of industries, weak governmental institutions and total neglect of indigenes on basic social amenities by the government and industrialists. The findings revealed over-exploitation of host-community resources and poor employment policies which triggered anger of many frustrated unemployed youths. Unsecured environment hindered economic expansion, created unpleasant political interferences that led to poor interpersonal relationship between the indigenes and industrialists, and ill-social effects. These effects led to the shortage of manpower, untimely and unnatural deaths of industrialists' and companies' owners. Also, there were short business plans by the industrialists, various courts' embargo on communal and family lands, diversification of compensation by government institutions and low patronage of investors on large-scale industries. There is a need for communal policing, effective communities welfare policies to cement the relationship between the companies and their host communities.

Keywords: Development infancy, Unsecured environments, Large-scale industries, Frustration and aggression, Perspectives, Nigeria

Introduction

Insecurity remains a strong problem confronting the entire humanity across the world and some developing nations have been soaked with the rising incidence of homicide, armed robbery, kidnapping and a host of other crimes (Otite, 2000; Nwagboso, 2012). Africa has been in the forefront of global statistics on insecurity, and Nigeria has been labelled to be leading among the countries with the highest rate of violent and non-violent crimes in recent times (Unachukwu, 2014). In Nigeria Watch's (2014) report, the incidence of murder increased by 24.2% between 2011 and 2013 while homicide (28%), armed robbery (32%) and kidnapping (14%) from 2010 to 2013. The state of insecurity in the country has brought many negative effects to every sector, and many persons have been internally displaced while many citizens met their untimely deaths. To Ross *et al.* (2000), the level of insecurity has brought about the political, social and economic development to a standstill and various economic policies have been disrupted. This has hindered the growth and development of large-scale industries, which directly suppressed its large-scale industries' development and economic growth to a state of perpetual infancy. Edmond (2017) showed that Nigeria underwent a downward economic trend from seventh place to 127th in 2016 and security management also fell to the 129th position.

Large-scale industries are important for the economy development anywhere in the world, including the western and developed economies. This is so because such industries engage in rigorous partnership in national building through customised products instead of generic

products and recruitment of highly effective and skilled manpower (Ranchman and Meson, 2016). It also serves as the last production center to the small and medium enterprises on which the economy of a country much relies. Holmberg (2008) links some advantages of large-scale industries to development and expansion of a large market and products standardisation, employment of large numbers of workers and massive acquisition of heavy machinery. From the post-independent era in 1960s to the Third Aborted Republic in November 1993, many indigenous companies sprang up to improve on the Nigeria's economic system. Many large-scale entrepreneurs had the intent to improve on economic development by increasing on gross national development, improve trade balance, stimulate other sectors, and improve on infrastructural developments and standard of living. However, due to the wide geographical expanse and poor developmental policies in Nigeria by various successive governments, insecurity became a fundamental hindrance to large-scale industries' development. Hence, entrepreneurs and workers encountered various challenges such as insecurity in their different locations in Nigeria (Adeniyi, 2016). Middlemen and operators of small and medium businesses were not spared (Egwu, 2001) and many senior managers of businesses and investors were targeted by kidnapers (Innocent and Onyishi, 2011). For instance, Shettima (2016) reveals that over 45% of all the communal conflicts occurred in locations of large-scale industries in Nigeria and many constant communal clashes have reduced towns and villages, including the industries to rubble. Ngwube (2013) concludes that various insecurity occurrences

either targeted or led to the loss of human lives and destruction of properties.

In the same light, Onifade *et al.* (2013) lamented the frequent occurrence of bomb explosions and persistent communal conflicts, orchestrated by religious extremists in the northern part of the country. In Nigeria, approximately 2,000 to 3,000 deaths were recorded in 2016 (Edmong, 2017), which scholars like Abubakar (2004) and Adeniyi (2016) have remarked that the clashes are becoming a real danger to any meaningful economic development. The Nigeria Police Force Official Gazette's (2018) report indicates that about 2,800 lives were lost to communal conflict between 2007 and 2009 while over 615 people were killed in 25 different communal attacks in the first nine months of 2013. An estimated 2,000 lives has been lost to various bomb explosions in 2010 with a total of 53 successful explosions (Nigeria Watch, 2014).

Countries like Liberia, Sierra Leone, Guinea and more recently Cote d'Ivoire in the sub-region have been plagued with a problem of insecurity in the past two decades (Otite, 2000; Bombade, 2007; Tonah, 2007). There have as well been different reports of high insecurity which had led to the closure of many large-scale industries in the Adakwlu, Ayingle, Konkomba and Nankumbi (Ghana) and Blue Nile and Nuba Mountains in the southern provinces of Sudan (Aapengnue, 2010; Bombade, 2007; Tonah, 2007). Edmong (2017) observes that with the crime wave, the desire of local investors and foreign investors to establish large scale industries has decreases because of anxiety and fear. Insecurity has become a serious concern that

affects every facet of economic development. This has led all the related sectors to remain in perpetual infancy.

The foundation of the paper lies on the negative effects of insecurity on what could have caused the smooth expansion of large-scale industries in Nigeria. However, the primary focus of this study is to examine the causes of insecurity through the lens of the frustration-aggression theory and its effect on large-scale industry development in Nigeria. This study adds to a number of researches which have adopted various theories to examine the critical stages of insecurity (Kling *et al.*, 2007). The study is distinct because it uses the frustration-aggression framework to examine the causes of insecurity and the effects on the growth of the large-scale industries. It departs from existing studies which tend to highlight the causes of insecurity without linking it to the operation of large-scale industries. Achumba *et al.* (2013) have identified several causes of insecurity in Nigeria especially those that have negative effects on economic and national developments. The study fills the gap in knowledge because various approaches and policies by the government have failed to actualise a crime-free society though the existing causes of insecurity have earlier been established. This study, therefore, holistically examines the causes of insecurity and some implications for the economic growth and development of large-scale industries in Nigeria.

Literature Review and Theoretical framework

The rapid growth of large-scale industries has had a great relevance in national economic policies especially in their special

role of mass job creation and high production capacity which lays a strong economic foundation. Despite its importance to the economy, the data collected from Boter and Lundstrom (2005) showed that 70% of the total population of Nigeria depends on agriculture for their livelihood, which indicated that many people depend on subsistence farming. As a result of over-reliance on foreign goods that has subjected the undeveloped countries' economies to western economies, different economic reform programs were adopted to improve on large-scale production of goods and services in Nigeria. There was a rapid switch of emphasis from the small-medium scale to grandiose capital intensive large-scale industrial projects based on the philosophy of input substitution. The conceptual scope of large-scale industries in this paper includes secondary and tertiary productions. Secondary industries mainly engage in the turning of raw materials into consumable and finished goods while tertiary industries were concerned with the rendering of direct or indirect services. Bothamley (2004) asserts that the contribution of large-scale business to the growth of the economy cannot be over-emphasised; large-scale businesses emerged as an important agent of economic transformations.

A serious concern arose from a 2004 survey conducted by the Manufacturers Association of Nigeria (MAN), showing that only about ten percent (10%) of the large-scale industries in Nigeria are fully effective. Ngwube (2013) has attributed the failure of the large-scale industries to the amount of available capital and unavailability of raw materials while Nwobobia

(2012) opines that efficient managerial skills determines the volume of production and efficiency of other factors of production. Nwobobia further identified technical know-how, market limitation and lack of cooperative spirit among entrepreneurs. Other scholars such as Onifade *et al.* (2013) attributed large scale industries' failure to inadequate government support in term of financial and infrastructural facilities, and particularly lack of uninterrupted power, unfavourable government policies, and political instability. Oraka (2013) argues that the high level of illiteracy and inadequate skilled labour affects the effectiveness of the large-scale industries operations. Based on the various economic solutions identified by prominent scholars (Gill and Biger, 2012) to improve the strength of the large-scale industries, little positive results have been achieved.

Innocent and Onyishi (2011) refer to the concept of security as stability and continuity of livelihood, predictability of daily life, protection from crime and freedom, and from psychological harm. The alarming level of insecurity and the different crime attacks in different parts of Nigeria left unpalatable consequences for the nation's economy especially in large-scale industries, and its growth. Oche (2001) emphasises that the absence of peace and adequate security led to low economic developments. However, secured environments are a *desideratum, sine qua non* for rapid large-scale industries' growth and development of any country. Scholars like Nwanegbo and Odigbo (2013) applauds the Federal Government of Nigeria for her policies and mechanisms, some of which were the huge allocation devoted to security and the national assembly's

passing the Anti-Terrorism Bill in 2011.

The paper is anchored on the theory of frustration-aggression, which stipulates that aggression is the result of frustration which results from an individual's inability to attain their goals. According to Butendach and Dewitte (2005), persistent insecurity in a society is a product of aggressive behaviour which results from issues such as poverty and unemployment as emphasised in the structural and functional deficiencies. This theory encompasses some weak elements of structural functionalism and institutional theories as strong link premises to the level of insecurity in Nigeria. The effectiveness of micro-economics deals with smaller units or components of the economy (family, individual, firm and government), which indirectly determines the larger units or aggregate of the economy. Various parts of the society and economic activities are seen to be closely related and taken together as a complete system. Upon these premises, every segment of the society must be adequately cared for through various institutions of government in order to provide a peaceful environment to create a crime-free environment for industries to thrive. All various institutions of government need to work together to support the effective execution of government policies to provide adequate security for the lives and properties of the people.

Citizens agree to the social contract by submitting their individual powers to the government, and the government reciprocates by providing security for the people. Therefore, any lapses in the system or any other institutions of government directly or indirectly cause antisocial behaviours

by the people. People get provoked and frustrated with the inability of the various institutions to check-mate economic saboteurs within the society. For example, companies require applicants who want to enter into a position to have three to five years of experience. Katsina (2012) identifies lack of equal access to land and natural resources and lack of equal employment opportunities to some segments of people in a community or society. This is what Adeniyi (2016) classifies as a state of long-term deprivation of people's well-being, a situation that is considered a cause of criminal behaviour from the frustrated youths. Katsina (2012) argues that unequal means or access to good living conditions by majority of the members of a country and lack of equal access to these indices (natural resources, financial aids, equal treatment to governmental policies, undue tax) create unnecessary aggression. Nwagboso (2012), in the same vein, argues that the failure of successive administrations in Nigeria to address these social menaces of poverty, unemployment and inequitable distribution of wealth among clans or communities is a major cause of insecurity. The paper concludes that many youths including the community leaders were angry as a result of unequal opportunities to social, economy benefits between the indigenes and non-indigenes in their communities.

Methodology

The research design adopted for the study is cross-sectional and exploratory because it explores the subject matter of insecurity at a particular period of time. The paper utilises both the primary and secondary sources of data collection. In primary sources, only qualitative method which comprises of Focus Group Discussions

and In-Depth Interview of data collection was employed. The secondary sources included records from relevant governmental institutions, journals and newspapers. Data from the archives of Nigeria Watch and Trent Online were sought and utilised. The researchers adopted triangulation of sampling techniques such as purposive, simple random sampling and key informants. Triangulation was adopted to cover all the variables such as the welfare packages adopted by different company operators in different selected communities and all forms of frustrations that led to existing interpersonal relationship. Use of multiple techniques also provides a richer picture of the link between high insecurity and the destruction of large-scale industries in selected communities through different approaches.

Through purposive sampling, one state (Northwest: *Kano*, Northeast: *Borno*, Northcentral: *Kogi*, Southeast: *Anambra*, Southwest: *Ogun*, South-south: *Rivers*) was selected in each geo-political zone. The researchers agreed to select the states on the reports of Nigeria Police Force Official Gazette (2018) that labelled the selected states as the most industrialised states with the high persistent level of insecurity in the country. With the records on various industrial areas through the Manufacturers Association of Nigeria at each state level and State Ministries of Commerce and Industries, the researchers adopted simple random techniques to select specific industrial areas from the list. Therefore, the study was limited to these selected areas: Kano state: *Sharada-Kano*; Borno state: *Bama-Maiduguri*; Kogi state: *Ewekoro*; Anambra state: *Nnewi*; Ogun state: *Shagamu*; Rivers state: *Rumuobiakani-PortHarcourt*. As a result of different

peculiarities in Nigeria's six geo-political zones, the researchers organized Focus Group Discussions in both Northern and Southern parts. The discussions in each part comprised of Chairmen of Manufacturers Association of Nigeria, MAN (2), Chairmen of Small and Medium Enterprises, SMEs (2), two managing directors (2) purposively selected in various large-scale industries, two police and security agents (2) and two lower cadre staff (2) selected in the study areas. A total of 10 discussants participated, and issues relating to security variables were the focused. Such variables includes the causes of insecurity, hostile relationship between the indigenes and the industrialists or the investors or government, and examination of different welfare packages adopted by the industrialists and the government and the state of large-scale industries' in their host communities were discussed.

The study further utilised the In-Depth Interviews to complement the Focus Group Discussions to ascertain more respondents' perception on the subject matter. The researchers' interviewed the respondents using both closed and open-ended questions to know their perception on numerous issues relating to the interpersonal relationship existing between the host communities and the government, the industrialists or the company owners. Other keen issues are the level of basic social amenities in the host communities provided by the companies, the effect of their activities on both environmental and physical environments, causes of persistent attacks and unnecessary demands of royalty and compensation by the indigenes. With caution to the respondents' issues bothering on the environmental

relations and the main causes of rampant attacks on the company owners were discussed. Community leader (1), traditional leader (1), youth leader (1) and communal militant leader (1) were selected as key informants for interview in each of the 6 selected areas, totalling 24 respondents. The in-depth interviews probe into the causes of high insecurity and crime in the areas. Due to the wide geographical area and distance between the study areas, the research covered a period of about 2 months between April 13 and June 10, 2019, during the hours of 8 a.m. to 5 p.m. The researchers embarked on the standardised greetings and familiarisation with the residents of the areas, particularly with the traditional, youth and militant leaders to prevent undue attack from the frustrated host communities. Though, despite the fact that the ethics of research were followed, yet, some respondents were not friendly and extremely reluctant to talk about their suffering due to the past frustrations they have experienced in their areas.

Qualitative data (Focus Group Discussions) were transcribed and analysed using manual content analysis involving narrative analysis (with summary of facts discovered by majority respondents). In-depth interview data were analysed on ethnographic summary and verbatim quotations. Concerning confidentiality, this research ensured a great deal of confidentiality in order to protect participants who gave relevant information against their communities' interests and against

the principle of 'accessory to the fact' which is criminally liable.

Results and Discussions

A). Socio-demographic characteristics

Table 1 below showed socio-demographic characteristics of the interviewees and the result indicated a mean age of respondents of 35+ 15.2 years (that is, their age were between 19 years 10 months and 50 years two months); 10 interviewees were Muslims, Christians (8) and 6 interviewees practised African Traditional Religions. The marital status of the respondents indicated that 16 interviewees were married, 4 were single and 4 were widowers. The marital status of the discussants shows that majority respondents are married. The result showed that 14 interviewees had no formal education, 4 interviewees had primary education, 4 interviewees had secondary education and only 2 interviewees had post-secondary education. These results imply that majority respondents were not well educated in these industrialised areas. Only 6 of the respondents claimed not to have been involved in one offence or the other ranging from communal disturbances to criminal offences. Only few of the respondents (4) had a fixed source of income, and 6 of the respondents claimed to have travelled out of their community to seek for job but to no avail. All the respondents claimed to have relied on the communities' royalty from these industries in their areas to cater for their needs.

Table 1: Socio-demographic Characteristics of the Interviewees

Options		Community leaders (n=6)	Traditional leaders (n=6)	Youth leaders (n=6)	Communal militant leaders (n=6)
Age	21-40	4	2	5	5
	41-60	1	3	1	1
	61+	1	1	-	-
	TOTAL	6	6	6	6
Religious affiliation	Muslim	3	3	3	2
	Christian	2	3	1	2
	African Traditional Religion	1	-	2	4
	TOTAL	6	6	6	6
Marital status	Single	-	-	1	3
	Married	5	6	4	1
	Divorce/separate	1	-	1	2
	TOTAL	6	6	6	6
Educational qualification	No formal	2	4	3	5
	Primary School	2	1	1	-
	Secondary school	1	1	1	1
	Post-secondary	1	-	1	-
	TOTAL	6	6	6	6
Participation in Criminal disturbance	Not at all	2	3	1	-
	one time	2	2	4	4
	twice or more	2	1	1	2
	TOTAL	6	6	6	6
Income	Pretty income	1	2	4	1
	Fixed income	3	2	1	-
	Relied on royalty	2	2	1	5
	TOTAL	6	6	6	6
Travelling experience	Never	4	4	4	6
	Once	1	1	1	-
	Twice or more	1	1	1	-
	TOTAL	6	6	6	6

B) High Incidence of Insecurity

Table 2 shows the classification of crimes by Nigeria Watch and Trent Online database which revealed crimes in all the six geo-political zones in Nigeria; these crimes were grouped in 6 criminal offences from June 2006 to September 2019.

These crimes were armed robbery, kidnapping, assassination and hooliganism, cultism, communal violence, and Boko-Haram terrorism. An overall 25,966 cases were recorded between June, 2006 and September, 2019. Mass explosion of bombs and merciless action of the Boko-

Table 2: Reported Crimes in Nigeria (June 2006-September 2019)

Geo-political zones	Armed robbery	Kidnapping	Assassination /hooliganism	Cultism	Communal violence	Boko-Haram terrorism	Total
South-south	1408	1171	1140	1481	136	-	5336
South-west	1344	187	1304	1473	163	-	4471
South-east	1543	1125	164	1197	125	12	4166
North-central	1465	124	184	1190	1718	35	4716
North-east	1150	127	156	120	671	1256	3480
North-west	1508	148	1105	149	813	74	3797
TOTAL	8418	2882	4053	5610	3626	1377	25966

Sources: Nigeria Watch and Trent Online Records

Haram terrorists led to an increase number of attacks in the North-East, Nigeria (Nigeria Police Force Official Gazette, 2018). Armed robbery contributed 8,418 (32.4%) of the overall crime incidents, kidnapping contributed 2,882 (11.1%), assassination and hooliganism, 4,053 (15.6%), cultism contributed 5,610 (21.6%), communal violence 3,626 (14.0%) and Boko-Haram terrorism also contributed 1,377 (5.3%). Though, armed robbery had the highest crime incidence, the North-east was reported as the most affected geo-political zone with the highest number of fatalities due to frequent explosives and attacks by Boko-Haram. In support of these results, a discussant and a chairman of MAN said that,

I was a victim of two robbery attacks within a year in this area. The last one was in my company's premise where three men lost their lives. They spoke our dialect just to know they were quite familiar with our company.

The Nigeria Police Force Official Gazette's (2018) reports that over 28% of

the armed robberies in the southern parts of Nigeria, targeted the large-scale entrepreneurs or investors. The result tallies with the opinion of Okpara and Wynn (2007) that the level of crime and insecurity situations were increasing, and hindered the economic growth as a result of constant attack of large industries.

C) Causes of insecurity in industrialised areas

1) *Overconcentration of industries*

All the interviewees lamented that the high rate of migrants to their communities triggered the level of unemployment and poverty, since limited jobs were pursued by a large number of the immigrants. Majority interviewees agreed that prevalent financial hardship in the area and the persistent stress of residents as a result of the high standard of living and strict economic competitiveness contributed to the persistent insecurity level. Most discussants agreed that their communities turned to industrial and commercial centres almost overnight and the means to provide for their daily needs become difficult, the different ethnic cultures and different cultural views on issues led to persistent conflicts. Most respondents

identified different factors that caused anti-social behaviour such as lack of proper care, love and affection within the community. In support of this result, Cole (2012) argues that rapid industrialisation and unsystematic urbanisation breeds slum areas with prime causes of insecurity.

ii) Institutional deficiency

Most discussants identified many heinous crimes targeted at owners of large scale industries and lamented on the various national laws and statues, which are inefficient to bring the perpetrators of these dastardly acts to book. Some interviewees claimed that some of these criminals targeted indigenes and complained that legal processes are usually delayed. Also, offenders are often pardoned under the prerogative of mercy. An interviewee complained that criminals or offenders were released without due process and this increases the tempo of insecurity in their environments. An interviewee, a community leader buttressed these results:

With so much hooliganism and thuggery in my area, there is poor attitudinal and behavioural disposition of security personnel toward these devastating acts. In many cases, security personnel assigned to deal with given security situations lack the expertise and equipment to handle the situations in a way to prevent them from occurring. Lack of institutional capacity resulting in government failure described as the corrosion or breakdown of institutional infrastructures. The state of insecurity and constant attack of business moguls in Nigeria is greatly a function of government failure, or

can be linked to government failure.

iii) Neglect of the indigenous people

Participants linked high insecurity in their communities to the deteriorating state of social amenities. Bad roads, irregular water supply and other social infrastructure triggers poverty and increase the level of intolerance among the angry residents. Discussants stated that rampant robbery is a result of the incapacity of government and the companies to establish a welfare package, and lack of provision of the basic needs for the people. A respondent further stated that lack of basic necessities by the state has created a pool of frustrated people who are ignited easily by any violent event. Most discussants agreed that there is a high correlation between the degree of poverty, unemployment, economic wellbeing (standard of living) of the citizens and the degree of insecurity. Participants complained that residents are unemployed and angered to see non-residents employed in these industries. An interviewee, a traditional leader said that,

Unemployment among the youths makes the community unproductive, and the higher the unemployment, the higher the crime and poverty rate. Frequent state of insecurity testifies to the fact that our communities have been long neglected by the government and these industries.

One of the interviewees, a community militant leader expressed his sadness that,

I was drawn into crime because of frustration stemming from inabi-

lity to meet up with my daily needs. I operated in many parts of these communities and our gang attacked businessmen and owners of these big companies because they were the rich ones in our community.

A large number of the Nigerian population is frustrated and have lost hope, especially the youth, and have now emerged to express their disillusion about the pervasive state of inequality (Okechukwu, 2011). This tallied with participants' position that unequal access to basic social amenities triggered youth's involvement in crime, which makes the environment unsafe for business. Also, one of the interviewees agreed that majority of their youths were too lazy, they rely on annual royalties paid by these companies, and this community leader said that over-reliance of these royalties led to persistent conflicts. Some interviewees claimed that after the distribution of these annual royalties to each compound in their community, some community leaders and unemployed youths went underneath to extort money from these companies through criminal threats.

iv) Low profile works

Most interviewees indicated that some industries adopt wrong policies and methods in employing their workers, which does not favour the indigenous communities. Many respondents lamented the government's policies to give grants and short loans to SMEs who were mainly the non-indigenes. Majority of the respondents lamented that financial aids were allocated in their communities to non-indigenes. One of the interviewees, a community militant leader said that,

Many of the policies of government favoured the non-indigenes more than the indigenous people. Loans and financial aids were given to settlers in small enterprises more than the indigenes. I joined a communal militant gang after various efforts to seek for loan from the government failed.

Most interviewees lamented that the companies in their various communities failed at health and education. Some claimed that most of their youths were not having adequate access to better education and they were mostly recruited into lower cadres such as gardeners, gatemen and office assistants in these companies.

v) Exploitation of community resources

Abdu (2002) identifies communal conflict as a major hindrance to large scale industries development in Nigeria. The discussants agreed that various cases of communal and tribal conflicts were pending in courts and many embargo and interlocutory injunction judgments were passed in restriction of companies to utilise the land effectively. Land is a major factor of production for these industries, therefore their operations are seriously hampered. This result buttresses the view of Ngwube (2013) that economic growth and development depend largely on mutual harmony and co-existence, and peaceful relationship of individuals with one another. Most of the interviewees lamented that the ownership of their forefathers' lands were in the hands of these foreign companies operators, which majority of the residents termed as a sad development. Many community leaders objected to the extraction of local raw

materials and capital movement from their areas to the urban areas.

D) Effects of unsecured environment to large-scale industry and development

i) Economic effects

A major effect of insecurity according to respondents, was the low supply of raw materials to the industries. One of the criteria for the location of these industries had a proximity to raw materials; access to these raw materials became difficult as a result of persistent insecurity. Discussants agreed that companies suffered from an inadequate supply of raw materials that were necessary for maximum production. The level of insecurity also affected the level of patronage of customers and the discussants said that both the small and medium scale entrepreneurs created alternatives by finding other manufacturers for the supply of raw materials. This result implies that in the most unsecured environments, the companies witnessed poor patronage in term of supply of raw materials and selling of their product to the consumers since markets in these communities could not be expanded. Many discussants agreed that insecurity discourages local and foreign investment as it makes investment unattractive to business people and business operations during the period of violence; this led to the outright close down of many industries in their areas. One of the discussants, a Chairman of SME gave a personal experience that,

He held a meeting with a foreign investor to provide both financial and technical assistance to his firm. After successful deliberation on the terms, the investor was lodged in a hotel in the community, without

noticing that kidnappers were monitoring their moments. He was kidnapped in the mid-night and taken to an unknown destination. Three staff of the hotel lost their lives and the investor was freed after a month with millions of naira paid as ransom. This sad experience ended our agreement on the proposed assistance.

Sourcing for capital from many financial institutions to run most firms effectively has become difficult in Nigeria. The discussants agreed that most available finance houses ignored their loan requests in these unsecured areas. Little was available for most companies in these conflict areas because of low turnover and inability to pay the loans back at an appropriate period. Most discussants agreed that some capital assets of the firm were destroyed including physical cash, motor vehicles, buildings, plants and machinery. The loss of equipment during the vandalism hindered the firms from expansion and development. Discussants complained that large scale companies were not expanding because the cost of production increases as a result of direct loss of goods and properties from an increasing level of insecurity. Discussants lamented the extent of poor and deadly environments, enveloped with the high level of uncertainty about the prospects of investment and lives of the people since little or no intervention came from the security agents. Oraka (2013) observes that the rate of large scale industries' survival is less than 5% in the second year of their existence since financial conditions required to maintain security is enormous. A discussant, a director said that,

The cost of maintaining security by business organisations is too high for effective operations. Companies have to take a lot of security precaution which are expensive. They are operating and maintaining security personnel as well as security infrastructure in order to ensure the security of their properties and the lives of their staff and customers.

Salawu (2010) claims that the killing of human beings in the course of crisis reduced experienced personnel and high shortage of human power. In order to corroborate this result, a chairman of SMEs said that,

The unabated activities of the kidnapers have reached such an alarming rate. Their operations have led to the loss of many lives and properties in the society, which reduces human resources available for economic growth.

The implication of these results was that there is manpower shortage for the business which ultimately affects the success and survival of the business. The finding agrees with the opinion of Adeniyi (2016) that the level of insecurity and crime has increased death rate and able-bodied youth have lost their lives and the number of orphans and widows has grown considerably.

Majority of the discussants agreed that the general atmosphere of production is characterised with mistrust. Fear, anxiety and frenzies persisting in their communities. They further established that the criminal acts have led to the dehumanisation of

traders (women, children, and men) especially in areas where rape, child abuse and neglect are used as instruments of war. Majority of the participants shared in Thurik and Wennekers' (2004) view that large-scale businesses in Nigeria find it difficult to survive because the untimely death of the owners or entrepreneurs often leads to the end of the business. This implies that constant attacks prevent entrepreneurs from having a long term plan management and employment strategy because of the level of insecurity and fear of sudden attacks in these business environments. Many discussants said that they left unsecured environments to more conducive ones because business thrives in a conflict-free area.

ii) Unpleasant political interference

Most participants agreed that the managements of various industries were forced to be involved in the political and social activities of each community area. They sponsored activities within these areas to maintain peaceful co-existence and improve on social and interpersonal relationships. Some discussants claimed that the financial demands from community leaders became too exorbitant to bear. The inability to maintain the financial relationship became a huge problem to their operation. A discussant, Chairman of Manufacturer Association of Nigeria (MAN) buttressed these results and said that,

They used to contact my company for financial assistance annually for social and political activities. Until recently, it become a monthly routine, they pleaded for assistance to fuel communal conflicts expenses and political candidates against

each other which is contrarily to the objective of the company. If you ignored their financial demands, the next day they pursuit your staff to get access to the company entrance.

Besides financial request from communities, most discussants agreed that different youths organised annual carnivals seeking for financial assistance from the companies' managements. Some of the interviewees claimed that easy access to the management and fulfilment to their financial needs led to persistent demands. This role of extreme hospitality played by these companies led to high level of hooliganism and increased political thugery in these areas.

Most participants agreed that the different groups and communities' frequent financial requests hampered the peaceful co-existence among the communal residents and the staff. Many discussants claimed that an undue and unhealthy relationship existed among the communities' members and companies were targeted on the basis of being biased during political and civil demonstrations which created high unsecured company environments then find it difficult to expand. In some cases, governmental institutions demand for bribes from the company managements before allowing them to perform their lawful duties in these areas. One of the discussants, a Chairman of MAN said thus:

Due to the high level of crimes in this community, most government institutions often demanded one favour or the others from us before they perform their legal responsibilities. We bribed to get access to

power, we bought the transformers, we bought vehicles for the police to prevent the crimes, we bought fuel and maintained both the officers and the vehicles. Most of the institutions officials were corrupt and the company were used for these extra expenses which hindered their growth and development.

iii) Negative social effects

Participants identified a greater level of distrust among various segments of the people in these industrial areas and this affected the working relationship between the staff and the management. Most discussants agreed that the sense of insecurity between the communities and their industrial workers created fear in each relationship. Residents were not tolerant enough; on simple slight provocations, they destroyed industrial properties at will. One of the discussants, a director of one of the large-scale industries said that,

Though in some cases the investors bear little risks but the fear of risk associated with the business in these areas is too high to bear. Lots of risks were involved like vandalism and stealing which hard to bear which hindered any possible expansion.

In every organisation, there are hierarchies in the management flow, and information was passed from one unit to another, from one department or unit to another, in order of seniority. Many discussants agreed that as a result of violence and persistent level of insecurity in these industrial areas, there was a high level of insubordination. The rules and regulation were not adequately followed. One of the

discussants, a police officer said that,

In the para-military organisation, the highest offence is insubordination, to disregard of the given order by the senior officers to the junior officers is mutiny, which is liable to dismissal and imprisonment. This was not applicable to the officers in these areas, in most cases, the juniors disobeyed lawful orders.

Otite (2000) links anti-social behaviour in every society to socio-economic influences, children learned criminal acts in home, family, neighbourhood, peers within their social environment. Little numbers of residents in these areas were fond of criminal acts and many participants claimed that it negatively affected the smooth running of the industries. This result was buttressed by Boakye (2010) that children encountered violence in their immediate social environment and grow to become a criminal because they have either witnessed or they have been victims of violent acts. Nwobobia (2012) attributes environmental factors as indices for the workers anti-social behaviour especially when the industries were situated in an area prone to insecurity and hostility like slums. Most participants agreed that there were low effective personality people or staff within these industrialised areas since many competent hands ran away from these areas because of the high level of insecurity.

Conclusion and Recommendations

With a wide range of opportunities associated with the expansion of large-scale industries in Nigeria, high crime and insecurity has hindered its growth and deve-

lopment. Insecurity constitute threats to lives and properties, it discourages local and foreign investors from expanding their businesses because of the alarming rate recorded. The paper identified high levels of criminal such as armed robbery, kidnapping, cultism, communal and ethnic conflicts, hired assassination and terrorism. Unsecured environments arose from overconcentration of different industries in an industrial community which triggered undue competition between different people and cultures. Total neglect of the host communities by both the government and the industrialists in basic social amenities, such as basic qualitative education, better health service at the expense of their community exploitation, capital movement causes aggression between the residents and the companies' managements. Wrong policies of both the government and the entrepreneurs toward equal access to loans, employments often led to conflicts. However, the persistent insecurity in the area hindered economic expansion, created unpleasant political interferences that led to poor interpersonal relationships between the host communities and the industrialists and ill-social effects. The paper concludes that security challenges constitute a threat to economic development since large scale entrepreneurs faced problem of shortage of manpower, untimely and unnatural deaths of companies' owners and short business' plans and span. It also led to various courts' embargo on communal and family lands which restricted expansion, diversification of fund for compensation and low patronage of small scale industries, buyers and investors.

The federal government should formulate and effectively implement policies and

programmes which are capable of addressing the root causes of insecurity in Nigeria such as poverty, unemployment, environmental degradation, dearth of infrastructural facilities and uneven development. In order to contribute meaningfully to the industrial production and gross domestic product, there is a need to pro-

vide formidable institutions that will foster adequate security for a rapid growth in these areas. Government should sanitise financial institutions to allow an equal access to financial aids in order to prevent undue aggression from the frustrated residents.

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