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THE IMPACT OF BANDITRY ON ECONOMIC DEVELOPMENT IN BENUE STATE, NIGERIA.

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Abstract

*Banditry in Benue State has led to widespread displacement, destruction of agricultural assets, and pervasive insecurity. These disruptions have reduced agricultural output, increased food prices, and deepened food insecurity across affected communities. This study examined the impact of banditry on economic development in Benue State. Anchored in Solow's Neoclassical Growth Model and the Situational Crime Prevention framework, the study was guided by four research questions and corresponding hypotheses. A descriptive survey design was employed, drawing data from a stratified random sample of 368 adults out of a target population of 10,647, complemented by purposively selected key informants. The research instrument showed acceptable logical validity of 0.70 and strong internal consistency with a Cronbach alpha of 0.82. Data were analysed using descriptive statistics and one sample *t* tests in STATA 14 with a neutral test value of 3.0. The findings show that agricultural productivity was severely disrupted, with more than 75 percent of farmers abandoning at least one growing season, relying on lower yielding seeds, and experiencing major declines in output ($M = 3.86$, $t = 7.82$, $p < 0.0001$, Cohen's $d = 4.10$). Small and medium scale enterprises faced significant operational strain, including shortened business hours, temporary closures, and revenue losses exceeding 25 percent ($M = 3.60$, $t = 9.58$, $p < 0.0001$, Cohen's $d = 0.50$). Poverty levels increased sharply, with 68 percent of households falling below the national poverty line and 73 percent reporting declines in living standards ($M = 3.69$, $t = 10.65$, $p < 0.0001$, Cohen's $d = 0.55$). Existing mitigation strategies were largely ineffective, as only one quarter of respondents perceived the Anti-Grazing Law as effective, and fewer than one third expressed confidence in community policing, vigilante groups, or relief interventions ($M = 2.22$, $t = -12.58$, $p < 0.0001$, Cohen's $d = -0.66$). The study concludes that banditry remains a critical impediment to economic development in Benue State and underscores the urgency of coordinated and context specific interventions that reinforce security, protect livelihood systems, and support long term recovery.*

Keywords: Banditry, agricultural productivity, SMEs, poverty, economic development, Benue State, insecurity

JEL Classification: Q43, I32, Q48, and D63

1.1 INTRODUCTION

In many nations, the central tenets of governance are deeply embedded in the social contract, which promises security and welfare to the people. For Nigeria, the 1999 Constitution of the Federal Republic of Nigeria emphasizes that the security and welfare of the citizens is the primary responsibility of the government (Federal Republic of Nigeria, 1999). However, in recent years, the country has experienced an escalation in violent non-state criminality, which has severely undermined the effectiveness of this foundational agreement. Armed banditry, a form of violent crime often associated with organized and professionalized criminal groups, has emerged as one of the most potent and disruptive forces within the Nigerian socio-economic fabric. This phenomenon, particularly rampant in the North-Central region, is a multidimensional issue that threatens not only the physical safety of the population but also economic prosperity, as it directly impinges on the country's

At a global level, the implications of insecurity and banditry for economic development have attracted significant scholarly attention. Various studies have highlighted how non-state violence, particularly in conflict zones, leads to substantial economic costs, undermining development objectives. In regions plagued by insurgencies or organized criminal groups, agricultural productivity is often the hardest hit, given the vulnerability of rural areas to violence and displacement. This, in turn, results in inflationary pressures and increases the reliance on food imports, thereby aggravating national trade imbalances (World Bank, 2022). Countries in Sub-Saharan Africa, including Nigeria, have experienced firsthand the devastating effects of widespread insecurity, not just on the safety of their citizens, but on the broader macroeconomic environment (African Development Bank, 2023). According to the United Nations (2022), conflict-induced food insecurity is a growing concern in many African nations, where rural populations are not only subject to violence but are also cut off from essential resources, which are necessary for both subsistence and trade.

The African context is particularly relevant in understanding the cyclical nature of banditry and economic decay. Across many countries in the Sahel and West Africa, including Nigeria, the relationship between insecurity and underdevelopment is well documented.

In countries such as Mali, Niger, and Burkina Faso, where banditry and extremist violence have been prevalent, agricultural activities have suffered immensely, with communities often forced to abandon their land. According to the Food and Agriculture Organization (FAO, 2022), the economic losses incurred by countries affected by such forms of violence often exceed billions of dollars, with long-term repercussions on food security, employment, and economic growth. As in Nigeria, rural populations in these regions depend heavily on agriculture, and when violence disrupts farming activities, it exacerbates the existing vulnerabilities of food systems, leading to severe humanitarian crises (FAO, 2022).

In Nigeria, the economic consequences of banditry have been most acutely felt in regions such as Benue State, where the primary economic activities are closely tied to agriculture. The state's vulnerability to violent banditry has been exacerbated by both historical and contemporary socio-economic factors, including inadequate security infrastructure, governance challenges, and the historical marginalization of the region. Bandit groups in Benue have systematically targeted farming communities, stealing livestock, kidnapping for ransom, and forcing entire populations to flee their homes. The agricultural sector, which contributes significantly to Benue's Gross Domestic Product (GDP), has faced debilitating setbacks as farmers are displaced and unable to work their lands. According to the Nigerian Bureau of Statistics (NBS, 2023), the decline in agricultural output, exacerbated by violence, has resulted in a stagnation of the state's economic growth. Additionally, small businesses that depend on the agricultural supply chain are often forced to close, leading to widespread unemployment and a sharp rise in poverty.

The broader consequences of banditry extend to the social fabric of Benue State. As markets, schools, and healthcare facilities close due to insecurity, the long-term implications for human capital development become even more pronounced. The disruption of educational institutions, in particular, prevents the younger generation from acquiring the necessary skills to participate meaningfully in the economy. Moreover, the increased poverty levels in the region further compound the cycle of underdevelopment, as more resources are diverted to address the immediate security concerns, rather than long-term

development objectives such as education and infrastructure improvement.

Although significant strides have been made by the Nigerian government to address the security challenges posed by banditry, including the deployment of military and paramilitary forces, the effectiveness of these measures has been questioned. Scholars have critiqued the government's approach, arguing that security interventions are often reactive rather than proactive and fail to address the root causes of the violence, such as poverty, unemployment, and lack of access to education (Adebayo & Olayemi, 2023). Furthermore, the lack of coordination between security agencies and local communities has undermined efforts to combat banditry effectively (Adeyemi, 2024). The gap in the policy response to this crisis is further exacerbated by a lack of comprehensive data and research on the economic impact of banditry, especially in states like Benue. Agricultural backbone, which forms the cornerstone of the economy, Benue State, located in the heart of Nigeria's Middle Belt, serves as a critical case study for understanding the far-reaching implications of banditry on economic development. Known as Nigeria's "Food Basket" due to its vast agricultural production, particularly of staple crops such as yam, maize, and rice, Benue has been severely affected by the waves of banditry that have plagued the region. The persistent violence has led to mass displacements, destruction of agricultural assets, and general destabilization of local economies. The impact of this insecurity is both direct and indirect, with severe consequences for agricultural productivity, small and medium-sized enterprises (SMEs), and overall economic stability. Data from local sources, such as the Benue State Emergency Management Agency (BSEMA, 2022), reveals the devastating toll of these activities: over 1.5 million people displaced between 2019 and 2023, and an estimated economic loss of ₦30 billion in agricultural produce alone by 2022 (UNHCR, 2023). This has triggered a domino effect, exacerbating food inflation, heightening poverty rates, and stalling economic growth.

This study, therefore, aims to provide a comprehensive, empirical analysis of the economic impact of banditry in Benue State. By focusing on agricultural productivity, the performance of small and medium-sized enterprises (SMEs), poverty levels, and the effectiveness of

mitigation strategies, this research will offer critical insights into how banditry disrupts economic development and will make policy recommendations for improving security and fostering sustainable development in the region. Through this study, we hope to fill existing gaps in the literature and provide actionable solutions for mitigating the economic effects of banditry.

In conclusion, the rise of banditry in Benue State presents a formidable challenge to Nigeria's aspirations for sustainable development. The violence unleashed by these criminal groups has profound implications for agricultural productivity, economic growth, and social cohesion. Despite the government's efforts to combat this threat, banditry continues to undermine the economic and social foundations of affected states. Addressing this crisis requires a multi-faceted approach that not only tackles the immediate security threats but also addresses the underlying socio-economic issues that fuel the violence. Only through a coordinated, comprehensive strategy can Nigeria begin to restore stability and ensure that development goals are achieved, particularly in regions like Benue State, where agriculture plays a central role in sustaining livelihoods.

2.0 CONCEPTUAL AND THEORETICAL FRAMEWORK

This section discusses the conceptual, review of empirical studies and theoretical framework, the main concepts captured in this study are Banditry, Economic Development, and Agricultural Productivity.

2.1 Entrepreneurship development

Banditry, while historically a generic term for rural plunder, has transformed into a highly specific and destructive socio-economic phenomenon in Nigeria. It is no longer synonymous with petty crime but with a form of organized, profit-driven predation that systematically dismantles local governance and economic life. Contemporary scholars, moving beyond simple acts of robbery, have sought to capture this evolving menace. Okoli and Ugwu (2019) provide a broad functional definition, classifying banditry as "the totality of

incidence of armed robbery or allied violent crimes, such as kidnapping, cattle rustling, and village or market raids, which involve the use of force... to rob, rape, or kill." While descriptive, this lacks the necessary depth to distinguish it from other forms of violence.

More analytically useful is the characterisation by Shehu and Obinna (2020), who define it as "an organized criminal violence perpetrated by non-state actors typically driven by economic motives rather than ideological commitments." This is a crucial conceptual distinction, separating banditry's rational, material goals from the ideological or political aims of insurgency groups like Boko Haram. Expanding on the structural implications, the International Crisis Group (ICG, 2022) frames banditry as a practice of "organised predation" that relies on the "systematic use of violence and territorial control to extract wealth and disrupt livelihoods." The ICG's perspective is particularly germane to the Benue context, where armed groups effectively challenge state sovereignty by imposing de facto taxation on markets and farming communities. The collective shift in these definitions from act to organized system underscores the deepening crisis. For the purpose of this research, which focuses on the economic impact of this organized criminal system, we adopt the definition put forth by Shehu and Obinna (2020): "organized criminal violence perpetrated by non-state actors typically driven by economic motives," as it best captures the profit-orientation and organized nature of the violence systematically targeting Benue State's economic foundations.

2.1.2 Economic Development

Economic development is perhaps the most nuanced concept in development economics, extending far beyond the statistical aggregates of GDP growth. It signifies a profound, sustained, and qualitative improvement in the material, social, and institutional fabric of a society. The literature reflects a move from growth-centric models to human-centric ones. Todaro and Smith (2020) offer the classic structural definition, describing economic development as "a sustained increase in real per capita incomes accompanied by structural changes in the economy and improvements in human welfare, including health, education,

and equitable income distribution." This comprehensive view insists on both quantitative increase and qualitative distribution. However, a more fundamental, philosophical metric is proposed by Amartya Sen (1999), who defines development as the "expansion of people's substantive freedoms" or their *capabilities* to lead lives they genuinely value. Under this capabilities approach, key metrics become practical opportunities to access health, education, and, critically, security. Conversely, the World Bank (2019) provides a policy-oriented operational definition, conceptualizing development as "a process of enlarging people's choices," specifically by promoting growth, reducing inequality, and protecting the vulnerable. In the face of banditry in Benue, this protection of fundamental choices is precisely what is being eroded. The sustained inability of residents to access their farms, send children to school, or seek healthcare due to fear is the most poignant evidence of *underdevelopment*. Given that banditry directly attacks human security and opportunity, thereby restricting the choices and capabilities of the populace, this study adopts Sen's (1999) capabilities-based definition: the expansion of people's substantive freedoms and capabilities to lead lives they value. This choice allows the research to measure not just material losses but the full scope of human capital forfeiture and erosion of security as a prerequisite for development.

2.1.3 Agricultural Productivity

Agricultural productivity remains a central theme in development scholarship, particularly in agrarian economies where farming is the backbone of livelihoods and state revenues. Recent studies conceptualise productivity in terms of both the quantity of output produced and the efficiency with which land, labour, capital, and technology are utilised. Contemporary scholarship offers several relevant definitions. According to Fuglie (2019), agricultural productivity is the ratio of agricultural output to a bundle of inputs including land, labour, capital, and intermediate goods. He stresses the importance of total factor productivity as a measure of technological progress. In a similar vein, the Food and Agriculture Organization (FAO, 2021) defines agricultural productivity as the efficiency with which agricultural

inputs are transformed into outputs while maintaining the long-term sustainability of soil and ecological systems. This definition emphasises ecology and sustainability. Adhikari and Sapkota (2020) approach productivity from a socioeconomic angle, defining it as the capacity of farm households to generate output efficiently through effective management of inputs, access to extension services, and adoption of improved technologies. They highlight the role of knowledge and institutional support.

Taken together, these definitions underscore that agricultural productivity is both a technical and institutional concept. It reflects not only the biological yield of crops but the broader production environment, including access to inputs, extension services, security, and market stability. In conflict affected environments, productivity is strongly influenced by farmers' ability to access land safely, maintain planting cycles, and protect stored produce from theft or destruction. Banditry in Benue State directly disrupts these conditions by forcing farmers to abandon farmlands, limiting access to inputs, undermining extension services, and reducing labour availability due to displacement and fear. For this study, the definition by Fuglie (2019) is adopted because it aligns with the study's methodological reliance on output to input ratios measured through yield per hectare and related indicators. His approach also allows for clear empirical assessment of how insecurity erodes productive efficiency in the state.

2.2 Theoretical Framework

This study is anchored on Situational Crime Prevention (SCP) Theory and Neoclassical Growth Model of Solow (1956)

2.2.1 Situational Crime Prevention (SCP) Theory

Situational Crime Prevention Theory, developed by Clarke in 1980, provides one of the most influential frameworks for understanding how specific environmental conditions create or reduce opportunities for criminal behavior. The central argument of this theory is that

crime does not arise solely from deep structural or psychological factors but also from immediate situational conditions that make criminal acts easier, less risky or more rewarding. Clarke (1980) proposed that altering the environment to increase the effort required to commit crime, raise the likelihood of detection and reduce potential benefits can significantly reduce offending. The theory rests on the assumption that offenders act with a degree of rationality and choose targets based on perceived risks and rewards. Insecurity thrives where guardianship is weak, surveillance is limited and targets are unprotected. A general criticism of Situational Crime Prevention Theory is that it tends to focus on the symptoms of crime rather than its deeper social causes.

Scholars argue that by concentrating on manipulating the environment, the theory sometimes underestimates the role of social deprivation, political tension and state fragility, particularly in violence prone settings such as rural Nigeria (Ekblom 2019). Despite this limitation, the theory remains vital for this study because banditry in Benue State often exploits situational vulnerabilities such as poorly secured farmlands, absence of early warning systems and weak community surveillance. These are precisely the conditions that situational approaches seek to address. The theory therefore provides a practical lens for understanding how specific vulnerabilities in rural communities create opportunities for bandit groups to launch attacks.

2.2.2 Neoclassical Growth Model of Solow

The Neoclassical Growth Model introduced by Solow in 1956 remains a foundational economic theory for explaining the long-term determinants of economic progress. The model posits that output growth is driven primarily by the accumulation of capital, labor and technological progress. Solow (1956) argued that economies converge toward a stable steady growth path, provided that productive inputs grow at a sustainable rate. A central assumption of the model is that capital diminishes in productivity as more units are added, which means that continuous economic expansion depends on sustained investment, stable labor supply and improvements in technology.

The major criticism of the Solow model is its limited ability to incorporate the influence of insecurity, political instability and social disruption on economic trajectories. Critics contend that the model assumes a predictable environment in which capital formation and labor productivity respond mainly to economic incentives rather than violent conflict or insecurity shocks (Romer 2012). However, the theory remains important to this study because banditry directly undermines the core variables that Solow identified as drivers of growth. Persistent attacks destroy capital assets, displace labor and interrupt the technological and institutional conditions necessary for productive activity. The model therefore provides a logical framework for linking insecurity to declining agricultural output, weakening market systems and falling investment levels in Benue State.

2.2.3 Application of the Theories to the Study

The two theories complement each other and jointly deepen our understanding of the relationship between banditry and economic development in Benue State. Situational Crime Prevention Theory helps explain why rural communities have become vulnerable targets. Weak surveillance, limited policing capacity and poorly protected farmlands create situational opportunities that bandit groups exploit. The theory therefore clarifies the patterns and dynamics of bandit attacks across the state. The Neoclassical Growth Model, in contrast, provides an economic explanation for the consequences of these attacks. Banditry disrupts capital accumulation through destruction of property, reduces the availability of labor through displacement and undermines productive efficiency by destabilizing market systems. These disruptions weaken the conditions required for the state to achieve sustained economic growth. Together, the theories enable this study to provide a comprehensive interpretation of both the security dimensions and the economic impacts of banditry. They offer a coherent analytical foundation for examining how insecurity in Benue State intensifies poverty, suppresses agricultural productivity and constrains overall development.

2.3 Empirical Review

Aliyu and Adebayo (2021) investigated the broader impact of insecurity on agricultural development in northern Nigeria. Their study notes that insecurity, encompassing banditry, insurgency, and herder-farmer conflicts, has significantly disrupted farming activities, leading to a 25% reduction in agricultural output across the region between 2015 and 2020. Using a mixed-methods approach, the study combined survey data from 400 farmers with secondary economic indicators, finding that insecurity caused farmland abandonment, reduced crop yields, and increased food prices. While the study provides valuable insights into the regional context, its broad focus on multiple forms of insecurity limits its specificity to banditry's unique effects in Benue State, leaving a gap in localized analysis that this study aims to address. Another relevant study by Egwu and Okeke (2022) focused on the socio-economic consequences of banditry in Nigeria's North Central region. Their study reports that banditry has led to a 20% decline in maize and yam production in Nasarawa state between 2018 and 2021, driven by farmer displacement and restricted access to farmlands. Employing qualitative interviews with 150 farmers and community leaders, the study highlights how banditry disrupts planting cycles and market access, exacerbating food insecurity.

Lawal and Ayeni (2020) explored the impact of rural insecurity on SME sustainability in Kaduna and Katsina States, regions similarly affected by bandit activity. The authors employed a mixed-methods approach, combining structured questionnaires with in-depth interviews of 250 SME operators across affected areas. Their findings reveal that nearly 64% of surveyed businesses reported losses in revenue, disruptions in supply chains, and increased security costs, while 31% of respondents indicated that they had either closed their businesses or relocated to safer areas. Lawal and Ayeni concluded that the pervasive climate of insecurity led to significant declines in investor confidence, reduced customer traffic, and a contraction in local market activities.

Another relevant study is that of Emeh and Oduh (2021), which focused specifically on North-Central Nigeria. Using panel data drawn from the National Bureau of Statistics (NBS) and field surveys administered to business owners in conflict-prone LGAs, the study examined the economic toll of armed violence on enterprise development between 2016 and 2020. Their analysis found a statistically significant inverse relationship between reported incidences of banditry and the operational viability of SMEs, particularly those in retail trade, agro-processing, and logistics. Notably, the study observed that businesses run by women and youth were disproportionately affected due to their limited access to capital and lack of mobility. Although the study provides a critical regional perspective, it does not isolate banditry from other forms of insecurity, nor does it disaggregate the data to reflect temporal trends or policy impacts.

Nwosu and Musa (2022) conducted a cross-sectional household survey of 400 families across three LGAs in Niger State Agaie, Agwara, and Bida to examine how exposure to banditry influences income poverty and access to basic services. Using a structured questionnaire and logistic regression analysis, they found that households reporting more than three bandit incursions in the previous year were 1.8 times more likely to fall below the national poverty line (₦50,000/adult equivalent/month) and 2.3 times more likely to report disrupted access to health clinics and schools. Their study highlights that income losses from abandoned farms and market closures were the primary drivers of increased poverty vulnerability (Nwosu & Musa, 2022).

3.0 METHODOLOGY

3.1 Research design

The study used a descriptive survey design, suitable for measuring perceptions and behaviours at a point in time without manipulating variables (Fowler, 2015). This quantitative approach allowed structured collection of information needed to assess the impact of banditry on economic development in Benue State.

3.2 Population, sample and sampling procedures

3.2.1 Population of the study

The study population comprised adult residents and selected community actors in Ukum and Agatu local government areas, chosen for their high incidence of bandit attacks.

As of 1 May 2025, projections from the National Bureau of Statistics and UN DESA put adults aged 18 and above at 10,222 (4,622 in Ukum; 5,600 in Agatu). A frame of 425 key informants from civil society, non-governmental organisations, community leaders and youth representatives produced a total study population of 10,647 (NBS, 2024; UN OCHA, 2024). The population frame is presented below:

Table 3.1: Presentation of Population Distribution in Ukum and Agatu LGAs

Population Category	Age Range	Ukum LGA	Agatu LGA	Total
Adults (residents)	18+ years	4,622	5,600	10,222
Civil Society Organizations (CSOs)	—	80	70	150
Non-Governmental Organizations	—	65	55	120
Community/Youth Leaders	—	80	75	155
Subtotal (Adults)	—	—	—	10,222
Subtotal (Orgs & Leaders)	—	—	—	425
Total Population	—	—	—	10,647

Source: National Bureau of Statistics (NBS, 2024); United Nations OCHA (2024)/other organization, 2024

3.2.2 Sample Size

The study used Yamane (1967) formula in determining the sample size of this study. The formula for Taro Yamane is stated below:

$$n = \frac{N}{1 + N(e)^2}$$

In determining the sample size, the variables are submitted into the formula:

$$n = \frac{10,647}{1 + 10,647(0.05)^2}$$

$$n = \frac{10,647}{1 + 10,647(0.0025)}$$

$$n = \frac{10,647}{1 + 26.6175}$$

$$n = \frac{10,647}{27.6175}$$

$$n = 385.51643$$

$$\approx 385$$

The sample size of 385 is considered in this study.

3.2.3 Sampling Techniques

To ensure broad representativeness, the study adopted a stratified random sampling approach for adult residents and a purposive sampling strategy for key informants. From a total adult population of 10 222 (4 622 in Ukum and 5 600 in Agatu), a sample of 370 adults was drawn. Proportional allocation assigned 168 respondents to Ukum and 202 to Agatu. Within each LGA, enumeration areas were randomly selected, household lists compiled, and one adult per household chosen by lot (using the Kish grid) to guarantee every eligible individual had an equal probability of selection. For deeper insights into community responses, 15 key informants were purposively selected from a frame of 425 local civil society organization members, NGO staff, and community/youth leaders. Selection criteria prioritized those with direct involvement in security or development projects, ensuring balanced representation across both LGAs (eight from Ukum; seven from Agatu). This dual approach blends the statistical robustness of random sampling with the contextual depth afforded by expert perspectives.

4.0 DATA PRESENTATION, ANALYSIS AND DISCUSSIONS

This section presents the analysis of data collected for the study investigating the impact of banditry on economic development in Ukum and Agatu Local Government Areas of Benue State, Nigeria. Two primary statistical approaches were utilized: descriptive and inferential statistics.

4.1 Data Presentation

The data collected in this study are presented in tables, with analysis conducted using percentages and measures of dispersion, such as the mean and standard deviation.

4.1 Data Analysis and Hypotheses Testing

This section transitions from descriptive summaries to rigorous inferential statistical analysis. The four central research hypotheses are empirically evaluated using the respondents’ composite mean scores derived from the five-point Likert scale items. The primary technique employed is the one-sample t-test, which compares the observed mean (x) for each construct against the theoretical neutral midpoint (u=3.0) to determine the statistical significance and practical direction of community perceptions regarding the economic effects of banditry.

4.1.1 Hypothesis 1: Banditry has no significant effect on agricultural productivity in Benue State.

The composite mean score for the "agriimpact" construct (derived from Items 1.1–1.5) was tested against the neutral value of u = 3.0.

Table 4.1 One-Sample t-Test for Agricultural Impact

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf. Interval]	
agriimpact	368	3.860	0.0110	0.210	3.839	3.881
Test value = 3						
t = 7.82 df = 367 p < 1.0000						
Cohen’s d = 4.10						

Source: Output from STATA 14, 2025 (Appendix 1B)

The one-sample t-test results in Table 4.1 show a highly significant difference between the observed mean ($x = 3.860$) and the neutral midpoint ($u = 3.0$). The calculated t-statistic is high ($t = 7.82$), and the corresponding probability value ($p < 0.0001$) is far below the conventional significance threshold of 0.05. Furthermore, the 95% confidence interval (3.839 to 3.881) lies entirely above the test value, strongly confirming a non-neutral perception. Consequently, we reject the null hypothesis (H_{01}) and conclude that banditry has a highly significant effect on agricultural productivity in Benue State.

4.1.2 Hypothesis 2: Banditry does not significantly impact the operations of small and medium-sized enterprises (SMEs) in Benue State.

The composite mean score for the "smeimpact" construct (derived from Items 2.1–2.5) was tested against the neutral value of $u = 3.0$.

Table 4.2 One-Sample t-Test for SMEs Impact

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf. Interval]	
smeimpact	368	3.600	0.0626	1.200	3.477	3.723

Test value = 3
 $t = 9.58$ $df = 367$ $p < 1.0000$
Cohen’s $d = .50$

Source: Output from STATA 14, 2025 (Appendix 1B)

The one-sample t-test in Table 4.2 evaluates whether the mean “SME impact” score (derived from Items 2.1–2.5) differs significantly from the neutral midpoint of 3.0. Among 368 respondents. The test statistic ($t = 9.58$, $df = 367$, $p < 0.0001$) indicates a highly significant difference from 3.0, allowing us to reject the null hypothesis that banditry has no impact on SMEs. In practice, this means that respondents perceive banditry as substantially disrupting business operations including limiting hours, forcing closures, reducing revenue, prompting layoffs, and constricting access to finance.

4.1.3 Hypothesis 3: There is no significant relationship between banditry and poverty levels in Benue State.

The composite mean score for the "povertyimpact" construct (derived from Items 3.1–3.5) was tested against the neutral value of $u = 3.0$.

Table 4.3 One-Sample t-Test for Poverty Levels Impact

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf. Interval]	
povertyimpact	368	3.690	0.0652	1.250	3.561	3.819
Test value = 3						
t = 10.65 df = 367 p < 1.0000						
Cohen's d = .55						
Source: Output from STATA 14, 2025 (Appendix 1B)						

The one-sample t-test in Table 4.3 evaluates whether the average “povertyimpact” score (derived from Items 3.1–3.5) differs significantly from the neutral midpoint of 3.0. With 368 respondents, the mean score is 3.690 (SD = 1.250, SE = 0.0652). The 95 % confidence interval (3.561 – 3.819) lies entirely above 3.0. The test statistic (t = 10.65, df = 367, p < 0.0001) confirms this difference is highly significant, allowing us to reject the null hypothesis that banditry does not influence poverty levels. In practical terms, a substantial majority of households report income falling below the poverty threshold, inability to pay school fees, reduced access to healthcare, worsening living standards, and the need for distress coping strategies (e.g., debt or asset sales) as direct consequences of bandit attacks.

4.1.4 Hypothesis 4: The strategies implemented to mitigate the impact of banditry have not significantly reduced its economic consequences in Benue State.

The composite mean score for the "mitigationimpact" construct (derived from Items 4.1–4.5) was tested against the neutral value of u = 3.0.

Table 4.4 One-Sample t-Test for Strategies Effectiveness on Banditry

Variable	Obs	Mean	Std. Err.	Std. Dev.	[95% Conf. Interval]	
mitigationimpact	368	2.220	0.0620	1.190	2.098	2.342
Test value = 3						
t = -12.58 df = 367 p < 0.0000						
Cohen's d = -0.66						
Source: Output from STATA 14, 2025 (Appendix 1B)						

The one-sample t-test in Table 4.4 compares the mean “mitigationimpact” score (derived from Items 4.1–4.5) to the neutral midpoint of 3.0. With 368 respondents, the observed mean is 2.220 (SD = 1.190, SE = 0.0620), and the 95 % confidence interval (2.098 – 2.342) lies entirely below 3.0. The test statistic ($t = -12.58$, $df = 367$, $p < 0.0001$) indicates a highly significant difference from the neutral midpoint, allowing us to reject the null hypothesis that current mitigation strategies have no effect on banditry’s economic consequences. Instead, respondents clearly perceive these interventions as ineffective.

4.2 Discussion of Findings

The findings from the study present compelling evidence on the devastating economic impact of banditry in Benue State, Nigeria, both within the agricultural and SME sectors, and the broader socio-economic fabric of the region. These outcomes are grounded in empirical data, with the results reinforcing the theoretical frameworks of Situational Crime Prevention (SCP) and the Neoclassical Growth Model, while simultaneously highlighting critical gaps in mitigation strategies. The first set of findings, centered on agricultural productivity, reveals a profound negative impact of banditry. The descriptive statistics indicate a strong consensus among respondents that banditry has forced farmers to abandon entire seasons, switch to lower-risk traditional seeds, and experience substantial declines in crop yields. This is consistent with the results of previous studies like Aliyu and Adebayo (2021), which show similar disruptions to agriculture across northern Nigeria. However, this study adds specificity to the context of Benue State, demonstrating that the decline in productivity is not just a temporary setback but a sustained economic shock that has altered farming behavior. The rejection of Null Hypothesis 1, supported by the one-sample t-test ($t = 7.82$, $p < 0.0001$), confirms that banditry has a highly significant effect on agricultural output. This outcome aligns with the Neoclassical Growth Model (Solow, 1956), which underscores how external shocks, such as the destruction of capital and labor, can push an economy off its optimal growth path, leading to a lower equilibrium in agricultural productivity. The persistent fear and insecurity caused by banditry restrict the application of

modern farming techniques and access to essential services like extension visits, undermining human capital development in the sector.

In the SME sector, the impact is similarly severe. Respondents widely reported operational constraints, with over 70% limiting their business hours due to security fears, and 67.6% attributing revenue losses to market disruptions and extortion by bandits. The rejection of Null Hypothesis 2 ($t = 9.58, p < 0.0001$) reinforces the idea that banditry severely hampers SME operations. This finding is directly supported by Lawal and Ayeni (2020), who observed a similar pattern in other northern states, where SMEs were forced to close or relocate due to insecurity. Applying the Situational Crime Prevention Theory, we can see that banditry succeeds precisely because the current environment presents low deterrents and high opportunities for criminals. The failure of state security mechanisms to protect businesses translates into reduced investment, operational shutdowns, and forced layoffs. These outcomes highlight a breakdown in the SCP model's core principles of increasing the effort and risks associated with crime. Instead, the local business environment remains ripe for exploitation by bandits, leaving SMEs vulnerable to continuing economic decay. Perhaps the most distressing finding concerns the human cost of banditry. The survey data clearly show that banditry not only erodes income but leads to deeper social and economic vulnerabilities. A significant proportion of respondents reported that their households fell below the national poverty threshold due to the disruptions caused by banditry.

The rejection of Null Hypothesis 3 ($t = 10.65, p < 0.0001$) underscores that the relationship between banditry and poverty is both statistically significant and deeply felt by the affected communities. This finding is consistent with the observations of Nwosu and Musa (2022), who noted that repeated bandit incursions push households further into poverty, as people are forced to sell assets and incur debts to survive. Moreover, the deterioration in living standards, such as worsening food security and housing conditions, points to a broader structural breakdown. The Neoclassical Growth Model further illustrates how these impacts are not just temporary setbacks but long-term reductions in human and physical capital,

as households lose the assets they need to recover. Banditry, therefore, becomes a force that not only impoverishes in the short term but entrenches poverty through the loss of assets, inability to invest in human capital, and systemic deprivation.

The final set of findings, regarding the effectiveness of mitigation strategies, presents a stark contrast to the preceding results. Despite the government's efforts, including the Anti-Grazing Law and community-police patrols, respondents expressed a deep dissatisfaction with the effectiveness of these interventions. The overall mean ($x = 2.22$, $SD = 1.19$) indicates a clear perception that the mitigation measures have failed to stem the tide of insecurity. This conclusion is reinforced by the one-sample t-test ($t = -12.58$, $p < 0.0001$), which reveals that the perceived impact of these strategies is statistically insignificant in reducing the economic consequences of banditry. This finding mirrors the concerns raised by Zumve and Sambe (2024), who noted that even tactical successes, such as those recorded during Operation Hadarin Daji, do not translate into sustainable security or economic recovery. The failure to increase the risk or effort required for banditry, a core tenet of the Situational Crime Prevention Theory, is evident in the low confidence in the existing strategies. The perceived ineffectiveness of these measures further exacerbates the economic challenges in the region, ensuring that banditry continues to thrive in an environment of weak deterrence. In summary, the study presents overwhelming evidence that banditry has a significant and multifaceted impact on both agricultural productivity and the operation of SMEs in Benue State, leading to increased poverty levels. These findings are consistent with both the Situational Crime Prevention Theory, which highlights the importance of altering situational factors to reduce crime, and the Neoclassical Growth Model, which explains how external shocks can derail economic progress. The data also reveal a critical failure of existing mitigation strategies, which are perceived as inadequate in addressing the root causes of insecurity and its economic consequences. The empirical evidence underscores the urgent need for more effective, targeted interventions that can increase the deterrence of banditry, reduce opportunities for criminal activity, and support economic recovery in the affected regions.

5.0 CONCLUSION

This section provides the study's conclusions, and recommendations drawn from the research on the evaluating of the impact of banditry on economic development in Benue State, Nigeria.

5.1 Conclusion

The study conclusively demonstrates that banditry exerts a severe and statistically significant negative impact on the economic development of Benue State. The research found that insecurity fundamentally undermines the foundational sectors of the local economy by significantly reducing agricultural productivity (through farmland abandonment and capital erosion) and crippling the operational viability of Small and Medium-sized Enterprises (SMEs) (through market disruption and extortion). Consequently, banditry directly exacerbates household poverty levels by destroying productive assets and restricting access to essential human capital elements like education and healthcare. Critically, the current mitigation strategies are perceived by the affected population as being profoundly ineffective, failing to provide the necessary deterrence or relief. In essence, banditry acts as a major structural impediment, systematically eroding the region's productive base and reversing developmental gains.

5.2 Recommendations

Based on the four main findings, the following recommendations are proposed:

- i. The Federal Ministry of Agriculture and Rural Development (FMARD) and the Benue State Agricultural Development Programme (BN-ADP) must establish Insecurity-Adjusted Input Delivery Corridors (IAIDCs), using secure escorts to guarantee subsidized delivery of high-yield seeds and fertilizers to cluster-farm locations before planting season.
- ii. The Benue State Government (BNSG), through the Ministry of Commerce and Industry, should establish a dedicated SME Security Subsidy Fund to co-finance basic security measures and link this to structured, monitored patrols by accredited security teams in

market areas to implement the Situational Crime Prevention (SCP) principle of Increasing the Effort.

- iii. The National Poverty Eradication Programme (NAPEP) and the Benue State Ministry of Humanitarian Affairs must launch a specialized Asset Restoration and Resilience Grant. This grant must be directed toward replacing lost productive assets (e.g., livestock/equipment) and providing immediate cash transfers earmarked for human capital protection (school fees and healthcare).

The Office of the National Security Adviser (ONSA), in partnership with the Nigerian Police Force (NPF) and local government chairmen, must institute a mandatory, measurable Community-Led Security Audit and Feedback Mechanism (CSAF). This requires regular, public consultations to assess the *actual operational effectiveness* of patrols, linking security resource allocation directly to community-reported outcomes.



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