

## **IMPACT OF INSECURITY ON THE NIGERIAN ENTREPRENEURIAL ENVIRONMENT**

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### **Abstract**

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This conceptual paper examines the multifaceted relationship between insecurity and the entrepreneurial environment in Nigeria, a context characterized by diverse security challenges including terrorism, banditry, kidnapping, and militancy. Drawing on a comprehensive review of empirical and theoretical literature spanning 2015-2025, we develop an integrated conceptual framework that explicates the mechanisms through which insecurity undermines entrepreneurial activities, business sustainability, and economic development. The paper identifies five primary pathways of impact: (1) direct destruction of physical and human capital, (2) disruption of business operations and market access, (3) erosion of investor confidence and capital flight, (4) increased operational costs and resource diversion, and (5) psychological impacts on entrepreneurial behavior. We synthesize theoretical perspectives from structural violence theory, frustration-aggression theory, and entrepreneurial ecosystem theory to explain these relationships. The framework reveals that insecurity creates a vicious cycle where business failures exacerbate unemployment and poverty, potentially fueling further insecurity. We propose a dynamic conceptual model that accounts for regional variations, sectoral differences, and the moderating role of entrepreneurial resilience strategies. The paper contributes to entrepreneurship theory by extending understanding of extreme environmental constraints and offers practical implications for policymakers, entrepreneurs, and development practitioners seeking to foster entrepreneurial development in conflict-affected contexts. Our analysis underscores the critical need for integrated security and economic development policies to break the insecurity-poverty cycle and create enabling environments for entrepreneurship in Nigeria.

**Keywords:** Insecurity, Entrepreneurship, Nigeria, Boko Haram, Business Environment, SMEs, Conceptual Framework, Terrorism, Economic Development

### **1. Introduction**

Entrepreneurship serves as a critical engine for economic growth, job creation, and poverty alleviation, particularly in developing economies (Abdulazeez et al., 2025; Othman et al., 2015). However, the entrepreneurial environment is profoundly shaped by contextual factors, with security emerging as a fundamental prerequisite for business development and sustainability (Usman et al., 2025; Bello et al., 2018). Nigeria, Africa's largest economy and most populous

nation, presents a compelling yet troubling case study of how pervasive insecurity can systematically undermine entrepreneurial activities and economic development.

Over the past two decades, Nigeria has experienced escalating security challenges across multiple dimensions and regions. The Boko Haram insurgency in the Northeast, which began in 2009, has resulted in thousands of deaths, mass displacement, and widespread destruction of economic infrastructure (Okpalaojiego, n.d.; Ali et al., n.d.; Ayobami et al., 2024). Beyond terrorism, the country faces banditry and kidnapping in the Northwest (Oladejo et al., 2020; Zakari et al., 2025), militancy in the Niger Delta (Ekanem et al., 2016), and various forms of violent crime across urban and rural areas (Farinola et al., n.d.; Adimula et al., 2023). These security challenges have created an increasingly hostile environment for entrepreneurial activities, with profound implications for small and medium enterprises (SMEs) that constitute the backbone of Nigeria's economy (Musa et al., n.d.; Onuoha et al., n.d.).

Despite the critical importance of understanding how insecurity affects entrepreneurship in conflict-affected contexts, existing research remains fragmented across disciplinary boundaries and lacks integrative theoretical frameworks. While numerous empirical studies have documented specific impacts of insecurity on business operations (Okpe et al., 2024; Aborisade et al., 2018; Onunwa, 2025), there is limited conceptual work that synthesizes these findings into coherent theoretical models explaining the mechanisms, pathways, and dynamics through which insecurity undermines entrepreneurial environments. This gap is particularly problematic for policymakers and practitioners who require comprehensive frameworks to guide intervention strategies.

This conceptual paper addresses this gap by developing an integrated framework that explicates the relationship between insecurity and entrepreneurial environment in Nigeria. Our framework synthesizes insights from multiple theoretical perspectives—including structural violence theory (Aborisade et al., 2018), frustration-aggression theory (Onunwa, 2025), and entrepreneurial ecosystem theory—to explain how insecurity operates through multiple pathways to constrain entrepreneurial activities. We draw on a comprehensive review of empirical literature spanning 2015–2025, encompassing studies across Nigeria's diverse regions and security contexts.

The paper makes several theoretical and practical contributions. First, we develop a multi-level conceptual framework that identifies five primary mechanisms through which insecurity impacts entrepreneurship: direct capital destruction, operational disruption, confidence erosion, cost escalation, and psychological impacts. Second, we explicate the dynamic and cyclical nature of the insecurity-entrepreneurship relationship, showing how business failures can exacerbate the conditions that generate insecurity.

Third, we account for contextual variations across regions, sectors, and firm sizes, recognizing that insecurity's impacts are not uniform. Fourth, we integrate emerging research on entrepreneurial resilience and adaptation strategies, highlighting how some businesses survive and even thrive despite severe security challenges. Finally, we provide actionable implications

for policy and practice, emphasizing the need for integrated security and economic development approaches.

## **4. Literature Review**

### *4.1 Direct Impacts on Business Operations and Performance*

Empirical research consistently demonstrates that insecurity has severe direct impacts on business operations and performance across Nigeria. Studies from the Northeast region, epicenter of the Boko Haram insurgency, document catastrophic effects on SMEs. Research in Adamawa State found that insecurity negatively influences critical areas including investment decisions, daily operations, customer accessibility, and infrastructure reliability, leading to declines in productivity, restricted access to capital, unstable workforce conditions, and limited market reach (Abdulazeez et al., 2025). Similarly, studies in Borno State reveal that insecurity has led to destruction of business premises, markets, shops, and warehouses, resulting in physical loss of capital and assets (Farinola et al., n.d.; Aborisade et al., 2018).

The impacts extend beyond the Northeast. In Zamfara State, research on banditry and kidnapping found a significant negative relationship between these security challenges and entrepreneurial survival, with 87.1% of agripreneurs experiencing insecurity and 65% affected by banditry (Zakari et al., 2025). Studies in Gombe State demonstrated that Boko Haram insurgency significantly affects SME performance indicators including turnover, profitability, access to markets, and access to finance (Lawal et al., 2022).

Quantitative evidence underscores the magnitude of these impacts. One study found that insecurity has a significant negative impact on SME growth, with a regression coefficient of 5.1759, indicating that an increase in insecurity corresponds to a 51% decline in sustainability (Ayobami et al., 2024). Research examining investment impacts found an adverse long-term relationship between security threats and both domestic investment and foreign direct investment in Nigeria (Okpe et al., 2024).

### *4.2 Market Disruption and Business Closures*

A consistent finding across studies is that insecurity forces business closures and market disruptions. Research in Borno State found that Boko Haram activities have crippled markets, blocked trade routes, and caused foreign and local entrepreneurs to flee, abandoning businesses and investments (Aborisade et al., 2018). Studies document that markets have closed, banking services have been reduced, and business hours have been shortened due to fear of attacks. Many industries have closed, particularly in Kano, leading to unemployment and making youths available for recruitment by insurgents (Othman et al., 2015).

The Niger Delta provides additional evidence of insecurity-driven business disruptions. Research on militancy's impact on SMEs found that violent agitations led to severe adverse impacts including closures, loss of business opportunities, and disruptions particularly for oil- and gas-related SMEs (Ekanem et al., 2016). These closures have cascading effects, as business failures eliminate employment opportunities and reduce local demand for goods and services.

#### *4.3 Investment Climate and Capital Flight*

Insecurity profoundly affects Nigeria's investment climate, deterring both domestic and foreign investment. Studies document that insecurity severely weakens investors' confidence, leading to capital flight and declining investments (Onunwa, 2025). Research found a reported 78.1% reduction in foreign direct investment in 2015 attributed to insecurity (Aborisade et al., 2018). The uncertainty created by insecurity makes long-term business planning nearly impossible, as entrepreneurs cannot reliably predict whether their investments will be protected or destroyed (Kalu, 2016).

The investment impacts are particularly severe for capital-intensive sectors and businesses requiring long-term commitments. Agricultural entrepreneurship, for instance, requires investments in land, equipment, and crops that may take months or years to yield returns (Zakari et al., 2025). When insecurity makes these investments highly risky, entrepreneurs rationally avoid or reduce such activities, leading to sectoral decline.

#### *4.4 Operational Costs and Resource Diversion*

Even businesses that continue operating face substantially increased costs due to insecurity. Entrepreneurs must allocate financial resources to security measures including guards, surveillance systems, and fortifications (Usman et al., 2025; Oladejo et al., 2020). Research in Zamfara found that allocation of financial resources to security was a significant factor in entrepreneurial survival amid banditry (Usman et al., 2025). Studies document that businesses face increased operational costs due to risks like theft, armed robbery, and kidnapping, and the need for precautions against these risks raises operating expenses (Aborisade et al., 2018).

These security costs represent pure deadweight losses—resources diverted from productive investments in equipment, inventory, marketing, or expansion into defensive expenditures that generate no economic value. For resource-constrained SMEs, these additional costs can make the difference between viability and failure (Ayobami et al., 2024; Ekanem et al., 2016; Farinola et al., n.d.).

#### *4.5 Psychological and Behavioral Impacts*

Beyond tangible economic impacts, insecurity generates psychological effects that influence entrepreneurial behavior and decision-making. The fear and uncertainty created by insecurity affect entrepreneurs' willingness to invest, expand, or even continue operations (Abdulazeez et al., 2025; Kalu, 2016). Research documents that insecurity creates a “permanent state of terror, hatred and mistrust” that fundamentally alters the business environment (Kalu, 2016).

These psychological impacts may manifest as shortened time horizons, risk aversion, and reduced entrepreneurial intentions. When entrepreneurs cannot trust that their investments will be protected or that contracts will be honored, the fundamental basis for business transactions erodes (Aborisade et al., 2018). This erosion of trust extends beyond individual transactions to affect broader business networks and supply chains.

#### *4.6 Sectoral and Regional Variations*

The literature reveals important variations in insecurity's impacts across sectors and regions. Agricultural entrepreneurship appears particularly vulnerable, as farming requires access to rural land that may be controlled by bandits or insurgents (Zakari et al., 2025). Research in Niger State found that insecurity significantly constrains agripreneurship development, severely impacting income generation, land access, and business expansion (Zakari et al., 2025).

Regional variations are equally pronounced. The Northeast—particularly Borno, Adamawa, and Yobe States—has experienced the most severe impacts due to Boko Haram insurgency (Abdulazeez et al., 2025; Okpalaojiego, n.d.; Ali et al., n.d.; Ayobami et al., 2024; Aborisade et al., 2018; Lawal et al., 2022). The Northwest faces distinct challenges from banditry and kidnapping (Usman et al., 2025; Oladejo et al., 2020; Zakari et al., 2025). The Niger Delta's militancy creates specific challenges for oil- and gas-related businesses (Adeniyi, n.d.; Ekanem et al., 2016). Even regions not experiencing active conflict face spillover effects through disrupted trade routes and reduced investor confidence (Othman et al., 2015; Okpe et al., 2024).

#### *4.7 Resilience and Adaptation Strategies*

Despite overwhelming evidence of negative impacts, emerging research documents how some entrepreneurs demonstrate resilience and develop adaptation strategies. A study in Yola, Northeast Nigeria, found that small businesses facing triple crises (Boko Haram insurgency, COVID-19, and economic crisis) could leverage entrepreneurial marketing dimensions—including entrepreneurial orientation, market orientation, innovation orientation, and customer orientation—for business continuity (Raimi et al., 2021).

Research identifies various survival strategies including reducing business scale, diversifying income sources, relocating to safer areas, adjusting operating hours, and collaborating with other businesses (Usman et al., 2025; Zakari et al., 2025; Ekanem et al., 2016). However, the literature also reveals that these strategies have limitations and costs, and many businesses ultimately fail despite adaptation efforts (Abdulazeez et al., 2025; Ayobami et al., 2024; Farinola et al., n.d.).

#### *4.8 Gaps in Existing Literature*

While the reviewed literature provides substantial evidence of insecurity's impacts on entrepreneurship, several gaps remain. First, most studies are cross-sectional, limiting understanding of temporal dynamics and long-term effects. Second, there is limited research on mechanisms and pathways through which insecurity affects entrepreneurship, with most studies documenting impacts without fully explaining causal processes. Third, comparative research across regions and security contexts is scarce. Fourth, the literature lacks integrative theoretical frameworks that synthesize findings into coherent models. This conceptual paper addresses the fourth gap by developing such a framework.

## 5. Conceptual Framework Development

### *5.1 Overview of the Integrated Framework*

Building on theoretical and empirical evidence, we propose an integrated framework explicating the relationship between insecurity and the entrepreneurial environment in Nigeria. The framework identifies key components:

**Insecurity Dimensions:** Terrorism (Boko Haram), banditry, kidnapping, militancy, and crime.

**Impact Mechanisms:** Five pathways through which insecurity affects entrepreneurship.

**Entrepreneurial Environment:** Individual entrepreneurs, firms, sectors, and regional ecosystems.

**Outcomes:** Business performance, survival, growth, and economic development.

**Moderating Factors:** Firm characteristics, entrepreneurial capabilities, institutional support, and regional contexts.

**Feedback Loops:** Cyclical dynamics where entrepreneurial decline exacerbates insecurity.

### *5.2 Five Primary Impact Mechanisms*

**Direct Destruction of Physical and Human Capital:** Attacks destroy assets and displace or injure entrepreneurs and workers (Abdulazeez et al., 2025; Farinola et al., n.d.; Aborisade et al., 2018).

**Operational Disruption and Market Access Constraints:** Restricted movement, market closures, and severed supply chains limit business operations (Othman et al., 2015; Abdulazeez et al., 2025; Zakari et al., 2025).

**Erosion of Investor Confidence and Capital Flight:** Insecurity deters investment and triggers capital withdrawal (Okpe et al., 2024; Aborisade et al., 2018; Lawal et al., 2022).

**Cost Escalation and Resource Diversion:** Entrepreneurs divert resources to security, raising operational costs and reducing profitability (Usman et al., 2025; Ayobami et al., 2024).

**Psychological Impacts and Behavioral Changes:** Fear and uncertainty alter entrepreneurial behavior, increasing risk aversion and abandonment of ventures (Abdulazeez et al., 2025; Kalu, 2016).

### *5.3 Multi-Level Impacts*

**Individual:** Trauma, asset loss, and safety threats affect motivation and capabilities (Abdulazeez et al., 2025; Kalu, 2016).

**Firm:** Operational disruption, cost increases, reduced revenues, and survival risks (Ayobami et al., 2024; Lawal et al., 2022).

**Sectoral:** Entire sectors may decline or relocate (Othman et al., 2015; Zakari et al., 2025).

**Ecosystem:** Infrastructure destruction, institutional weakening, and service withdrawal affect regional entrepreneurship (Abdulazeez et al., 2025; Onunwa, 2025).

**National:** Aggregate entrepreneurial decline impacts employment, GDP, and development (Okpe et al., 2024; Aborisade et al., 2018).

### *5.4 Moderating Factors*

**Firm Characteristics:** Size, sector, age, and resources affect resilience (Ekanem et al., 2016; Tahir et al., 2019).

**Entrepreneurial Capabilities:** Dynamic capabilities and prior experience influence adaptation (Raimi et al., 2021).

**Institutional Support:** Government, security provision, and programs moderate impacts (Okpe et al., 2024; Onunwa, 2025).

**Regional Context:** Intensity of insecurity, infrastructure, and social capital vary by region (Abdulazeez et al., 2025; Zakari et al., 2025).

**Temporal Factors:** Duration, escalation, and predictability of insecurity shape impacts (Nwabunor et al., 2021).

### *5.5 Feedback Loops and Cyclical Dynamics*

**Primary Cycle:** Insecurity → Entrepreneurial decline → Unemployment and poverty → Recruitment into violence → Increased insecurity (Othman et al., 2015; Okpe et al., 2024).

**Institutional Degradation Cycle:** Business closures → Reduced tax revenue → Weakened government capacity → Reduced security → Increased insecurity (Onunwa, 2025).

**Investment Cycle:** Insecurity → Capital flight → Reduced investment → Economic decline → Increased insecurity (Okpe et al., 2024).

### *5.6 Contextual Variations*

**Regional:** Northeast—terrorism (Abdulazeez et al., 2025); Northwest—banditry and kidnapping (Usman et al., 2025); Niger Delta—militancy (Ekanem et al., 2016).

**Sectoral:** Agriculture—vulnerable to rural insecurity (Zakari et al., 2025); manufacturing—supply-chain disruptions (Othman et al., 2015); retail—attacks and theft (Farinola et al., n.d.); services—operational constraints (Lawal et al., 2022).

**Temporal:** Escalation produces acute shocks; prolonged insecurity produces chronic degradation (Abdulazeez et al., 2025; Nwabunor et al., 2021).

### *5.7 Resilience and Adaptation Pathways*

Entrepreneurs adopt business model adjustments, relocation, diversification, and security investments (Usman et al., 2025; Raimi et al., 2021). Entrepreneurial marketing capabilities and collaborative responses support continuity, but many businesses still fail under severe insecurity (Abdulazeez et al., 2025; Ayobami et al., 2024).

## **6. Mechanisms of Impact: Pathways from Insecurity to Entrepreneurial Decline**

### **6.1 Mechanism 1: Direct Destruction of Physical and Human Capital**

Empirical evidence documents extensive physical destruction, particularly in Borno and Adamawa States (Farinola et al., n.d.; Aborisade et al., 2018; Abdulazeez et al., 2025). Human capital losses occur through deaths, injuries, and displacement (Abdulazeez et al., 2025; Okpalaojiego, n.d.; Ali et al., n.d.). The cumulative effect is a fundamental erosion of physical and human capital necessary for entrepreneurship (Aborisade et al., 2018).

### **6.2 Mechanism 2: Operational Disruption and Market Access Constraints**

Insecurity restricts movement, closes markets, severs supply chains, and reduces service availability (Othman et al., 2015; Aborisade et al., 2018). Entrepreneurs lose customer and supplier access (Abdulazeez et al., 2025; Lawal et al., 2022; Zakari et al., 2025). These disruptions extend beyond conflict zones, affecting broader commercial networks (Othman et al., 2015; Zakari et al., 2025).

### **6.3 Mechanism 3: Erosion of Investor Confidence and Capital Flight**

Insecurity weakens investor confidence, reduces FDI, and encourages capital withdrawal (Okpe et al., 2024; Aborisade et al., 2018; Onunwa, 2025). Financial institutions retrench, investment horizons shorten, and capital becomes more expensive (Othman et al., 2015; Lawal et al., 2022). This mechanism suppresses both current and future entrepreneurship.



#### 6.4 Mechanism 4: Cost Escalation and Resource Diversion

Entrepreneurs incur significant security-related expenditures and opportunity costs (Usman et al., 2025; Oladejo et al., 2020; Aborisade et al., 2018). Additional costs include insurance, secure transport, compliance, and extortion-related payments (Ayobami et al., 2024; Ekanem et al., 2016). For SMEs, these costs often determine survival.

#### 6.5 Mechanism 5: Psychological Impacts and Behavioral Changes

Insecurity produces fear, trauma, mistrust, and increasing risk aversion (Abdulazeez et al., 2025; Kalu, 2016). Entrepreneurs shorten time horizons, reduce investment, and sometimes exit entrepreneurship entirely (Aborisade et al., 2018; Onunwa, 2025). Persistent psychological effects may constrain entrepreneurship even after violence declines (Kalu, 2016)

#### 6.6 Interaction and Amplification Effects

The mechanisms interact and reinforce each other. Physical destruction increases costs, disruptions erode investor confidence, and psychological effects weaken adaptive capacity. These interactions create nonlinear, system-wide impacts that can push entrepreneurial ecosystems beyond recovery thresholds (Aborisade et al., 2018; Onunwa, 2025).

### 7. Regional and Sectoral Variations

#### 7.1 Regional Variations in Insecurity and Impacts

Nigeria's diverse security landscape creates substantial regional variations in how insecurity affects entrepreneurship.

**Northeast Region (Borno, Adamawa, Yobe):** This region has experienced the most severe and sustained impacts due to Boko Haram insurgency (Abdulazeez et al., 2025; Okpalaojiego, n.d.; Ali et al., n.d.; Ayobami et al., 2024; Aborisade et al., 2018; Nwabunor et al., 2021; Lawal et al., 2022). The insurgency has caused mass displacement, destroyed entire markets and commercial centers, and created zones where business activity has essentially ceased (Aborisade et al., 2018). Research in Borno State documents that insecurity has crippled markets, blocked trade routes, and caused entrepreneurs to flee, abandoning businesses (Aborisade et al., 2018). Studies in Adamawa found negative impacts on investment, operations, customer accessibility, and infrastructure (Abdulazeez et al., 2025). The Northeast represents the most extreme case of insecurity-driven entrepreneurial collapse.

**Northwest Region (Zamfara, Katsina, Kaduna, Sokoto):** This region faces distinct challenges from banditry, cattle rustling, and kidnapping (Usman et al., 2025; Oladejo et al., 2020; Zakari et al., 2025). Research in Zamfara found that 87.1% of agripreneurs experienced insecurity, with 65% affected by banditry (Zakari et al., 2025). The Northwest's insecurity particularly affects agricultural entrepreneurship, as bandits control rural areas and make farming extremely dangerous (Zakari et al., 2025). Unlike the Northeast's insurgency, which has clear political

objectives, the Northwest's banditry is more economically motivated, creating different dynamics and requiring different responses.

**Niger Delta Region (Rivers, Bayelsa, Delta):** The Niger Delta has experienced decades of militancy driven by grievances over resource control and environmental degradation (Adeniyi, n.d.; Ekanem et al., 2016). Research documents that violent agitations led to severe impacts on SMEs including closures, loss of business opportunities, and disruptions particularly for oil and gas-related businesses (Ekanem et al., 2016). While militancy intensity has fluctuated, the region continues to experience periodic violence that affects business confidence and operations.

**North Central Region (Benue, Plateau, Nasarawa):** This region experiences farmer-herder conflicts, communal violence, and spillover effects from insecurity in neighboring regions (Yande, n.d.). Research in Benue State examines insecurity's influence on business sustainability (Yande, n.d.). The North Central's challenges are more localized and episodic compared to the sustained insurgency in the Northeast.

**Southern Regions (Southeast and Southwest):** While generally more secure than northern regions, southern areas face urban crime, kidnapping, and occasional communal violence (Salami et al., n.d.; Isaac et al., 2019; Akyuz et al., 2022; Kalu, 2016). Research in Imo State examines insecurity's impact on entrepreneurial business survival (Onuoha et al., n.d.). Studies in Akwa Ibom investigate insecurity and business performance (Isaac et al., 2019). Urban centers like Lagos and Abuja face terrorism threats and violent crime that affect business operations (Kalu, 2016).

These regional variations have important implications. Interventions must be tailored to specific regional contexts rather than applying uniform approaches. The Northeast requires comprehensive reconstruction and security stabilization. The Northwest needs strategies addressing rural banditry and agricultural security. The Niger Delta requires addressing underlying grievances while supporting economic diversification. Southern regions need urban security improvements and crime prevention.

## 7.2 Sectoral Variations in Vulnerability and Impact

Different economic sectors experience insecurity's impacts differently based on their operational characteristics.

1. **Agricultural Entrepreneurship:** Agriculture is particularly vulnerable because it requires access to rural land that may be controlled by insurgents or bandits (Zakari et al., 2025). Research in Niger State found that insecurity significantly constrains agripreneurship development, severely impacting income generation, land access, and business expansion (Zakari et al., 2025). Farmers face direct threats when accessing fields, theft of crops and livestock, and destruction of agricultural infrastructure.
2. **Manufacturing:** Manufacturing businesses face supply chain disruptions, destruction of production facilities, and difficulty accessing inputs and markets (Othman et al., 2015). Research documents that many industries have closed, particularly in Kano, due to insecurity (Othman et al., 2015).

3. **Retail and Commerce:** Retail businesses, particularly markets and shops, are frequent targets of attacks and theft (Othman et al., 2015; Farinola et al., n.d.; Aborisade et al., 2018). Research documents destruction of markets, shops, and warehouses (Farinola et al., n.d.; Aborisade et al., 2018).
4. **Services:** Service businesses face operational constraints from movement restrictions and reduced customer access (Abdulazeez et al., 2025; Lawal et al., 2022). Banking and financial services withdraw from insecure areas, affecting the entire business ecosystem (Othman et al., 2015; Lawal et al., 2022).
5. **Oil and Gas:** The oil and gas sector faces specific challenges from militancy in the Niger Delta (Adeniyi, n.d.; Ekanem et al., 2016). Research documents severe impacts on oil and gas-related SMEs from violent agitations (Ekanem et al., 2016).
6. **Technology and Creative Industries:** Emerging research suggests that technology and creative industries may be somewhat less vulnerable because they are less dependent on physical infrastructure and can operate remotely (Moruku et al., 2024). However, these sectors still face challenges from power outages, internet disruptions, and difficulty attracting talent to insecure regions.

### 7.3 Firm Size and Resource Endowment Effects

Firm size significantly moderates insecurity's impacts. Micro and small enterprises are disproportionately vulnerable because they lack resources to absorb shocks, invest in security, or relocate (Ekanem et al., 2016; Farinola et al., n.d.; Lawal et al., 2022; Tahir et al., 2019).

Large firms have advantages including:

1. Greater financial resources for security investments
2. Ability to diversify operations across regions
3. Better access to insurance and risk management tools
4. Political connections that may provide protection
5. Capacity to temporarily suspend operations and resume later

Small firms face disadvantages including:

1. Limited financial buffers to absorb losses
2. Inability to afford adequate security measures
3. Dependence on local markets that insecurity disrupts
4. Limited access to insurance and formal risk management
5. Greater vulnerability to single catastrophic events

These size-based differences mean that insecurity can fundamentally alter market structure, eliminating small competitors and increasing concentration. This has long-term implications for competition, innovation, and employment, as SMEs are typically more labor-intensive than large firms (Ekanem et al., 2016; Farinola et al., n.d.).

#### 7.4 Temporal Variations: Acute Shocks vs. Chronic Insecurity

The temporal pattern of insecurity affects its impacts.

**Acute shocks**—sudden escalations of violence—create immediate crises that may overwhelm businesses' coping capacities (Abdulazeez et al., 2025; Nwabunor et al., 2021).

**Chronic insecurity**—sustained low-to-moderate levels of violence—creates different challenges (Ayobami et al., 2024; Aborisade et al., 2018). Businesses may adapt to chronic insecurity through security investments, operational adjustments, and risk acceptance (Usman et al., 2025; Raimi et al., 2021).

Acute shocks require emergency response and humanitarian assistance, while chronic insecurity requires long-term institution-building, economic development, and addressing root causes (Okpe et al., 2024; Aborisade et al., 2018).

### 8. Entrepreneurial Resilience and Adaptation Strategies

#### 8.1 Conceptualizing Entrepreneurial Resilience

Entrepreneurial resilience is the capacity of entrepreneurs and businesses to withstand, adapt to, and potentially grow despite severe security challenges. Evidence from Yola, Northeast Nigeria, shows small businesses leveraging entrepreneurial marketing for continuity under triple crises (Raimi et al., 2021).

#### 8.2 Adaptation Strategies

**Operational Adjustments:** Reduce scale, adjust hours, relocate, shift business models (Usman et al., 2025; Zakari et al., 2025; Othman et al., 2015; Aborisade et al., 2018; Raimi et al., 2021).

**Security Investments:** Financial allocations, private guards, surveillance, fortification (Usman et al., 2025; Oladejo et al., 2020; Aborisade et al., 2018).

**Diversification & Collaboration:** Spread operations, supply chains, cooperate for shared security (Zakari et al., 2025; Ekanem et al., 2016).

**Entrepreneurial Marketing:** Use entrepreneurial, market, innovation, and customer orientations (Raimi et al., 2021).

**Limitations and Costs:** Resource constraints, limited effectiveness, opportunity costs, reduced competitiveness, psychological toll, collective action problems (Abdulazeez et al., 2025; Usman et al., 2025; Ayobami et al., 2024; Oladejo et al., 2020; Farinola et al., n.d.; Aborisade et al., 2018; Kalu, 2016).

**Dynamic Capabilities:** Entrepreneurs with strong capabilities to sense threats, seize opportunities, and reconfigure resources show higher resilience (Raimi et al., 2021).

**Social Capital:** Strong community networks provide informal protection and access to resources (Ekanem et al., 2016; Aborisade et al., 2018; Kalu, 2016).

**Implications:** Understanding resilience mechanisms can inform interventions, training, and adaptive business models (Abdulazeez et al., 2025; Ayobami et al., 2024; Aborisade et al., 2018; Raimi et al., 2021).

### 8.3 Limitations and Costs of Adaptation Strategies

While adaptation strategies can enhance survival, the literature reveals important limitations and costs. Research in Zamfara found that despite survival strategies, banditry and kidnapping significantly affected entrepreneurial survival (Usman et al., 2025). Studies across the Northeast document that many businesses ultimately fail despite adaptation efforts (Abdulazeez et al., 2025; Ayobami et al., 2024; Farinola et al., n.d.).

Adaptation strategies have several limitations:

**Resource Constraints:** Many strategies require financial resources that resource-constrained SMEs lack (Usman et al., 2025; Ayobami et al., 2024; Ekanem et al., 2016; Farinola et al., n.d.).

**Effectiveness Limits:** Security investments may be insufficient against determined attackers (Usman et al., 2025; Oladejo et al., 2020).

**Opportunity Costs:** Resources devoted to adaptation cannot be invested in growth (Usman et al., 2025; Ayobami et al., 2024).

**Reduced Competitiveness:** Businesses that reduce scale or relocate may lose competitive advantages (Othman et al., 2015; Zakari et al., 2025).

**Psychological Toll:** Constant adaptation creates stress and exhaustion (Abdulazeez et al., 2025; Kalu, 2016).

**Collective Action Problems:** Individual adaptation may not address systemic ecosystem degradation (Aborisade et al., 2018; Onunwa, 2025).

### 8.4 Dynamic Capabilities and Entrepreneurial Resilience

The dynamic capabilities framework helps explain variation in resilience. Entrepreneurs with stronger capabilities to sense threats, seize opportunities, and reconfigure resources are better positioned to adapt (Raimi et al., 2021). Research on entrepreneurial marketing suggests that orientation dimensions—entrepreneurial, market, innovation, and customer orientation—represent dynamic capabilities that enable adaptation (Raimi et al., 2021).

However, even strong dynamic capabilities have limits in extreme insecurity. When entire ecosystems collapse, individual firm capabilities may be insufficient for survival (Aborisade et al., 2018; Onunwa, 2025). This highlights the importance of ecosystem-level interventions rather than relying solely on firm-level adaptation.

### 8.5 The Role of Social Capital and Networks

While not extensively explored in the reviewed literature, social capital and networks likely play important roles in resilience. Entrepreneurs embedded in strong community networks may receive early warnings of threats, access informal protection, and maintain business relationships despite disruptions (Ekanem et al., 2016). Conversely, insecurity can erode social capital by creating mistrust and fragmenting communities (Aborisade et al., 2018; Kalu, 2016).

Future research should more explicitly examine how social capital affects entrepreneurial resilience in insecure contexts and how insecurity affects social capital formation and maintenance.

### 8.6 Implications for Theory and Practice

The resilience literature has important implications. Theoretically, it suggests that entrepreneurship in insecure contexts is not simply determined by environmental constraints but involves agency and adaptation. This aligns with dynamic capabilities and entrepreneurial orientation perspectives (Raimi et al., 2021).

Practically, understanding resilience mechanisms can inform support programs. Rather than assuming all businesses in insecure regions will fail, interventions can strengthen resilience capabilities through training in risk management, entrepreneurial marketing, and adaptive business models (Raimi et al., 2021). However, such interventions must be realistic about adaptation limits and the need for fundamental security improvements (Abdulazeez et al., 2025; Ayobami et al., 2024; Aborisade et al., 2018).

## 9. Discussion and Theoretical Implications

### 9.1 Synthesis of Key Findings

This conceptual paper has developed an integrated framework explicating the relationship between insecurity and entrepreneurial environment in Nigeria. The framework identifies five primary mechanisms through which insecurity undermines entrepreneurship: direct capital destruction, operational disruption, confidence erosion, cost escalation, and psychological impacts. These mechanisms operate across multiple levels—individual, firm, sectoral, ecosystem, and national—and interact to create amplification effects.

The framework reveals that insecurity's impacts are not uniform but vary substantially across regions, sectors, firm sizes, and temporal patterns. The Northeast faces catastrophic impacts from Boko Haram insurgency (Abdulazeez et al., 2025; Okpalaojie, n.d.; Ali et al., n.d.; Ayobami et al., 2024; Aborisade et al., 2018; Nwabunor et al., 2021; Lawal et al., 2022), while other regions face distinct challenges from banditry (Usman et al., 2025; Oladejo et al., 2020; Zakari et al., 2025), militancy (Adeniyi, n.d.; Ekanem et al., 2016), or urban crime (Salami et al., n.d.; Isaac et al., 2019; Kalu, 2016). Agricultural entrepreneurship is particularly vulnerable (Zakari et al., 2025), while technology sectors may be somewhat more resilient (Moruku et al., 2024). Small

firms face disproportionate challenges compared to large corporations (Ekanem et al., 2016; Farinola et al., n.d.; Lawal et al., 2022; Tahir et al., 2019).

Critically, the framework explicates feedback loops that create vicious cycles where entrepreneurial decline exacerbates the conditions generating insecurity (Othman et al., 2015; Okpe et al., 2024; Aborisade et al., 2018). These cycles help explain why insecurity and underdevelopment become self-reinforcing, making recovery extremely difficult without comprehensive interventions that simultaneously address security and economic development.

The framework also incorporates resilience and adaptation, recognizing that some entrepreneurs demonstrate remarkable capacity to survive and even thrive despite severe challenges (Raimi et al., 2021). However, the literature reveals important limits to adaptation, with many businesses ultimately failing despite resilience efforts (Abdulazeez et al., 2025; Ayobami et al., 2024; Farinola et al., n.d.).

## 9.2 Theoretical Contributions

This paper makes several theoretical contributions to entrepreneurship scholarship.

**Extending Entrepreneurial Ecosystem Theory:** The framework extends entrepreneurial ecosystem theory by explicating how extreme environmental constraints—specifically insecurity—simultaneously undermine multiple ecosystem components (Usman et al., 2025; Bello et al., 2018). While ecosystem theory emphasizes the importance of supportive environments, it has given limited attention to how hostile environments systematically destroy ecosystem elements. Our framework shows that insecurity affects not just one or two ecosystem components but comprehensively degrades infrastructure, institutions, finance, markets, human capital, and social capital (Abdulazeez et al., 2025; Othman et al., 2015; Okpe et al., 2024; Aborisade et al., 2018; Onunwa, 2025; Nwabunor et al., 2021).

**Integrating Conflict and Entrepreneurship Literatures:** The framework bridges conflict studies and entrepreneurship research, which have largely developed in parallel. By synthesizing structural violence theory (Okpe et al., 2024) and frustration-aggression theory (Aborisade et al., 2018) with entrepreneurship theories, we provide a more comprehensive understanding of entrepreneurship in conflict-affected contexts. This integration reveals that entrepreneurship is not merely affected by conflict but is fundamentally intertwined with conflict dynamics through feedback loops.

**Explicating Mechanisms and Pathways:** Much existing research documents that insecurity negatively affects entrepreneurship without fully explaining how. Our framework's identification of five distinct mechanisms provides theoretical clarity about causal pathways. This mechanistic understanding enables more precise theorizing about when, where, and how insecurity affects entrepreneurship, and what interventions might be most effective.\

**Accounting for Heterogeneity:** The framework's explicit attention to regional, sectoral, size-based, and temporal variations advances beyond universal generalizations to recognize contextual heterogeneity. This aligns with recent calls in entrepreneurship research for greater attention to context and contingencies (Usman et al., 2025; Bello et al., 2018).

**Incorporating Resilience and Agency:** By integrating resilience and adaptation alongside constraint and decline, the framework provides a more balanced perspective that recognizes entrepreneurial agency even in extreme adversity (Raimi et al., 2021). This prevents overly deterministic views while remaining realistic about adaptation limits.

### 9.3 Implications for Entrepreneurship Theory

The framework has broader implications for entrepreneurship theory beyond the specific Nigerian context.

**Environmental Extremes:** The framework contributes to understanding entrepreneurship under extreme environmental constraints. While much entrepreneurship research focuses on supportive or moderately challenging environments, less attention has been given to extreme contexts. Our framework suggests that extreme constraints may create qualitatively different dynamics including feedback loops and tipping points rather than simply representing the far end of a continuum.

**Temporal Dynamics:** The framework's attention to temporal patterns acute shocks versus chronic insecurity highlights the importance of temporal dynamics in entrepreneurship research. Environmental constraints are not static but evolve over time, requiring dynamic rather than static theoretical frameworks.

**Multi-Level Analysis:** The framework demonstrates the value of multi-level analysis that connects individual entrepreneurs, firms, sectors, ecosystems, and national contexts. Insecurity's impacts cascade across levels, and interventions at one level may be insufficient without addressing other levels.

**Negative Feedback Loops:** The framework's explication of vicious cycles contributes to understanding negative feedback loops in entrepreneurship. While positive feedback loops (e.g., agglomeration effects, network externalities) have received attention, negative feedback loops deserve greater theoretical development.

### 9.4 Limitations and Boundary Conditions

The framework has limitations and boundary conditions that should be acknowledged.

**Contextual Specificity:** The framework is developed specifically for Nigeria's context. While many insights may transfer to other conflict-affected contexts, the specific manifestations of insecurity, institutional characteristics, and cultural factors in Nigeria may limit generalizability. Comparative research is needed to assess transferability.



**Data Limitations:** The framework is based on available literature, which has gaps including limited longitudinal research, few comparative studies, and uneven coverage across regions and sectors. As more research becomes available, the framework may require refinement.

**Complexity Reduction:** Any conceptual framework necessarily simplifies complex reality. Our framework identifies five primary mechanisms, but reality involves countless specific pathways and interactions. The framework should be viewed as a heuristic tool rather than a complete representation.

**Normative Assumptions:** The framework implicitly assumes that entrepreneurship is desirable and that insecurity's negative impacts on entrepreneurship are problematic. While these assumptions are reasonable, they should be made explicit. In some contexts, certain forms of entrepreneurship (e.g., exploitation of conflict resources) may be socially harmful.

## 9.5 Directions for Theory Development

Several directions for future theory development emerge from this work:

**Formal Modeling:** The framework could be formalized using mathematical or computational models to explore dynamics, tipping points, and intervention effects more rigorously.

**Comparative Theory:** Developing comparative frameworks that explain variations across conflict types, institutional contexts, and development levels would enhance theoretical generalizability.

**Micro-Foundations:** Deeper theoretical development of micro-level mechanisms particularly psychological and behavioral processes would strengthen understanding of how insecurity affects individual entrepreneurial decisions.

**Positive Deviance:** Theoretical development focused on positive deviance cases of entrepreneurial success despite extreme adversity could provide insights into resilience mechanisms and inform interventions.

**Temporal Theory:** More sophisticated temporal theorizing about how insecurity-entrepreneurship relationships evolve over conflict cycles (onset, escalation, stalemate, and resolution, post-conflict) would enhance dynamic understanding.

## 10. Policy and Practical Implications

### 10.1 The Imperative for Integrated Approaches

The framework's most fundamental policy implication is the need for integrated approaches that simultaneously address security and economic development. The feedback loops identified in the framework mean that addressing insecurity without supporting entrepreneurship, or supporting entrepreneurship without addressing insecurity, will likely prove insufficient (Okpe et al., 2024; Aborisade et al., 2018; Onunwa, 2025).

**Security-Development Nexus:** Policymakers must recognize that security and development are not sequential—where security must be achieved before development can begin—but mutually reinforcing. Entrepreneurial development can contribute to security by providing legitimate livelihoods and reducing grievances (Okpe et al., 2024; Aborisade et al., 2018). Conversely, security improvements enable entrepreneurship by reducing risks and costs (Abdulazeez et al., 2025; Usman et al., 2025; Oladejo et al., 2020).

**Avoiding Siloed Approaches:** Government agencies responsible for security and those responsible for economic development often operate in silos. The framework suggests that breaking these silos and creating coordinated strategies is essential. Security agencies should understand how their operations affect business environments, and economic development agencies should incorporate security considerations into program design.

## 10.2 Security Sector Reforms and Provision

Fundamental security improvements are prerequisites for entrepreneurial recovery. The framework suggests several security-related priorities:

**Enhanced Security Provision:** Government must strengthen capacity to provide basic security, particularly in conflict-affected regions (Abdulazeez et al., 2025; Okpe et al., 2024; Aborisade et al., 2018; Onunwa, 2025).

**Community-Based Security:** Given the limitations of formal security forces, community-based security approaches that engage local populations in protection may be valuable (Ekanem et al., 2016). However, such approaches must be carefully designed to avoid creating vigilante groups or exacerbating conflicts.

**Addressing Root Causes:** Security strategies must address root causes of insecurity including poverty, inequality, political marginalization, and grievances (Okpe et al., 2024; Aborisade et al., 2018). Purely military approaches that ignore underlying drivers are unlikely to achieve sustainable security.

**Protecting Business Infrastructure:** Security provision should prioritize protection of markets, transportation routes, and business districts that are critical for entrepreneurial activities (Othman et al., 2015; Aborisade et al., 2018).

## 10.3 Direct Support for Affected Entrepreneurs

Entrepreneurs in insecure regions require direct support to survive and recover:

**Financial Assistance:** Providing grants, subsidized loans, or loan guarantees to affected businesses can help them rebuild destroyed assets, invest in security, or relocate (Abdulazeez et al., 2025; Ayobami et al., 2024; Farinola et al., n.d.). Such assistance should be designed to avoid creating dependency or moral hazard.

**Insurance and Risk Management:** Developing insurance products tailored to insecurity risks including property destruction, business interruption, and kidnapping can help entrepreneurs manage risks (Usman et al., 2025). Government may need to subsidize such insurance or provide reinsurance to make it viable.

**Security Subsidies:** Subsidizing security costs for SMEs in high-risk areas can reduce the burden of security investments (Usman et al., 2025; Oladejo et al., 2020). This could include shared security services, security equipment subsidies, or tax credits for security expenditures.

**Relocation Assistance:** For businesses in areas where security cannot be assured, providing relocation assistance including transportation, temporary premises, and market access support may be necessary (Othman et al., 2015; Aborisade et al., 2018).

**Psychosocial Support:** Given the psychological impacts documented in the framework, providing psychosocial support and trauma counseling for entrepreneurs may be important for recovery (Abdulazeez et al., 2025; Kalu, 2016).

#### 10.4 Ecosystem Rebuilding and Infrastructure

Addressing insecurity's impacts requires ecosystem-level interventions:

**Infrastructure Reconstruction:** Rebuilding destroyed markets, roads, power systems, and telecommunications infrastructure is essential for entrepreneurial recovery (Abdulazeez et al., 2025; Aborisade et al., 2018; Onunwa, 2025). Infrastructure investments should incorporate security considerations in design and location.

**Financial Sector Restoration:** Encouraging banks and financial institutions to return to or remain in insecure regions requires risk mitigation measures such as security provision, deposit insurance, and regulatory flexibility (Othman et al., 2015; Lawal et al., 2022).

**Market Development:** Rebuilding market infrastructure and facilitating market linkages can help entrepreneurs reconnect with customers and suppliers (Abdulazeez et al., 2025; Zakari et al., 2025; Lawal et al., 2022).

**Institutional Strengthening:** Strengthening institutions that support entrepreneurship including business registration, contract enforcement, and regulatory agencies is critical for ecosystem recovery (Okpe et al., 2024; Aborisade et al., 2018; Onunwa, 2025).

#### 10.5 Capacity Building and Resilience Enhancement

Supporting entrepreneurial resilience can enhance survival and adaptation:

**Entrepreneurial Training:** Training programs focused on risk management, adaptive business models, and entrepreneurial marketing can strengthen resilience capabilities (Raimi et al., 2021). Such training should be tailored to insecure contexts rather than assuming stable environments.

**Business Development Services:** Providing business development services including mentoring, advisory services, and peer networks can help entrepreneurs navigate challenges (Raimi et al., 2021).

**Technology Adoption:** Supporting adoption of technologies that reduce vulnerability such as mobile money, e-commerce, and remote work capabilities may enhance resilience (Moruku et al., 2024).

**Diversification Support:** Helping entrepreneurs diversify income sources, supply chains, and markets can reduce vulnerability to localized shocks (Zakari et al., 2025).

#### 10.6 Regional and Sectoral Targeting

The framework's identification of regional and sectoral variations suggests the need for targeted interventions:

**Northeast Reconstruction:** The Northeast requires comprehensive reconstruction efforts including security stabilization, infrastructure rebuilding, and large-scale entrepreneurial support (Abdulazeez et al., 2025; Okpalaojiego, n.d.; Ali et al., n.d.; Ayobami et al., 2024; Aborisade et al., 2018; Nwabunor et al., 2021; Lawal et al., 2022).

**Northwest Agricultural Security:** The Northwest needs specific interventions addressing rural security and agricultural entrepreneurship, including protection of farming communities and livestock (Oladejo et al., 2020; Zakari et al., 2025).

**Niger Delta Economic Diversification:** The Niger Delta requires economic diversification beyond oil and gas, combined with addressing underlying grievances (Adeniyi, n.d.; Ekanem et al., 2016).

**Urban Security Improvements:** Urban areas need improved policing, crime prevention, and protection of business districts (Salami et al., n.d.; Isaac et al., 2019; Kalu, 2016).

**Sectoral Support:** Particularly vulnerable sectors like agriculture may require sector-specific interventions including rural security, input subsidies, and market guarantees (Zakari et al., 2025).

#### 10.7 Breaking Vicious Cycles

Addressing the feedback loops identified in the framework requires specific strategies:

**Employment Generation:** Creating employment opportunities, particularly for youth, can reduce recruitment pools for violent groups and address grievances. Entrepreneurship support should be complemented by wage employment creation (Othman et al., 2015; Okpe et al., 2024; Aborisade et al., 2018).

**Education and Skills Development:** Investing in education and skills development provides alternatives to violence and builds human capital for entrepreneurship (Aborisade et al., 2018; Onunwa, 2025).

**Addressing Inequality:** Reducing economic and political inequalities that fuel grievances requires redistributive policies and inclusive governance (Okpe et al., 2024; Aborisade et al., 2018).

**Preventing Capital Flight:** Measures to prevent or reverse capital flight—including investment incentives, capital controls, and confidence-building—can help maintain the resource base for entrepreneurship (Okpe et al., 2024; Aborisade et al., 2018; Onunwa, 2025).

## 10.8 Monitoring and Evaluation

Effective policy requires robust monitoring and evaluation:

**Impact Assessment:** Systematically assessing how security interventions affect entrepreneurship, and how entrepreneurship interventions affect security, can inform adaptive management (Okpe et al., 2024; Aborisade et al., 2018).

**Early Warning Systems:** Developing early warning systems that detect escalating insecurity or entrepreneurial distress can enable timely interventions (Abdulazeez et al., 2025; Nwabunor et al., 2021).

**Learning and Adaptation:** Creating mechanisms for learning from implementation experience and adapting strategies based on evidence is essential in complex, dynamic contexts (Raimi et al., 2021).

## 10.9 International Cooperation

Given the scale of challenges, international cooperation is important:

**Development Assistance:** International development partners can provide financial resources, technical expertise, and best practices from other conflict-affected contexts (Aborisade et al., 2018; Onunwa, 2025).

**Regional Cooperation:** Insecurity often has regional dimensions requiring cooperation among West African countries on security, trade, and economic development (Aborisade et al., 2018).

**Private Sector Engagement:** Engaging international private sector actors—including investors, corporations, and financial institutions—can bring resources and expertise while requiring careful management of risks and responsibilities (Okpe et al., 2024; Aborisade et al., 2018).

## 11. Future Research Directions

### 11.1 Methodological Priorities

Future research should adopt longitudinal designs to capture temporal dynamics and recovery trajectories in conflict-affected areas (Abdulazeez et al., 2025; Nwabunor et al., 2021).

Comparative studies across regions, sectors, and countries would improve generalizability (Usman et al., 2025; Zakari et al., 2025; Adeniyi, n.d.; Aborisade et al., 2018). Mixed-methods approaches combining quantitative and qualitative analyses can provide both breadth and depth (Abdulazeez et al., 2025; Raimi et al., 2021). Experimental or quasi-experimental designs could strengthen causal inference regarding intervention effectiveness (Raimi et al., 2021).

### 11.2 Substantive Research Gaps

Research should explore micro-level mechanisms, such as psychological and behavioral processes affecting entrepreneurial decision-making under insecurity (Abdulazeez et al., 2025; Kalu, 2016). Resilience mechanisms—including dynamic capabilities, social capital, and entrepreneurial orientation—require further investigation (Raimi et al., 2021). Sectoral dynamics in agriculture, manufacturing, and emerging technologies need detailed study (Othman et al., 2015; Zakari et al., 2025; Moruku et al., 2024). Gender, informal economy, and post-conflict recovery are additional under-researched areas.

### 11.3 Theoretical Development

Future work should involve formal modeling of insecurity-entrepreneurship dynamics, strengthen micro-foundations, identify boundary conditions, and apply alternative theoretical lenses (Okpe et al., 2024; Aborisade et al., 2018).

### 11.4 Policy-Relevant Research

Research should evaluate interventions, conduct cost-benefit analyses, examine implementation challenges, and investigate scaling and sustainability of successful programs (Raimi et al., 2021; Okpe et al., 2024; Aborisade et al., 2018).

### 11.5 Emerging Issues

Emerging priorities include climate change interactions, digital entrepreneurship, multiple concurrent crises (e.g., insecurity and pandemics), and diaspora entrepreneurship (Moruku et al., 2024; Raimi et al., 2021; Akyuz et al., 2022).

## 12. Conclusion

The integrated framework developed in this paper identifies five mechanisms through which insecurity undermines entrepreneurship in Nigeria: direct destruction of capital, operational disruption, erosion of investor confidence, cost escalation, and psychological impacts (Abdulazeez et al., 2025; Othman et al., 2015; Usman et al., 2025). Impacts vary by region, sector, and firm size, with the Northeast most severely affected by Boko Haram, the Northwest by banditry, and other regions facing diverse challenges (Abdulazeez et al., 2025; Zakari et al., 2025; Kalu, 2016).

Feedback loops create self-reinforcing cycles of insecurity and underdevelopment, highlighting the need for integrated approaches addressing both security and entrepreneurship (Okpe et al.,

2024; Aborisade et al., 2018). The framework emphasizes resilience and adaptation, while recognizing limits to individual-level strategies (Raimi et al., 2021; Abdulazeez et al., 2025).

The paper contributes theoretically by extending entrepreneurial ecosystem theory, integrating conflict studies, clarifying causal mechanisms, addressing contextual heterogeneity, and incorporating resilience and agency (Abdulazeez et al., 2025; Othman et al., 2015; Okpe et al., 2024; Aborisade et al., 2018; Raimi et al., 2021). Policy implications include security sector reform, targeted support, ecosystem rebuilding, capacity building, monitoring, and international cooperation.

Future research should prioritize longitudinal and comparative designs, mixed methods, micro-level mechanisms, resilience, gender, informal economy, and intervention evaluation, while developing formal models and exploring alternative theoretical perspectives (Abdulazeez et al., 2025; Raimi et al., 2021). The framework provides a foundation for supporting entrepreneurship under insecurity, with global relevance to other conflict-affected contexts.

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