

BOKO HARAM INSURGENCY: CONSEQUENCES FOR FOREIGN TECHNOLOGY FLOWS IN NIGERIA

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ABSTRACT

Theoretical literature suggests that insecurity is harmful and as a matter of fact, hinders investment. However, there is lack of consensus in empirical evidence as a number of studies have discovered positive association, against negative association by some others. This study was embarked in response to earlier call for explicit investigation of the empirical impact of insurgency on the flow of foreign technology in Nigerian economic space. To this end, B- HRM (proxy for Boko Haram, insurgency) was introduced in the framework of a combination of Internalization hypothesis, Industrial organization hypothesis and Eclectic paradigm approaches to foreign technology modeling. An equilibrium relationship was established in the analysis that followed. The result of the ECM model was consistent with earlier findings, as it reveals that insurgency exerts a massive upward push on inflow of foreign technology in Nigeria. This happens to be the case, as investors decisions were hinged on profit motives than security issues.

KEYWORDS: Boko Haram Insurgency, Foreign Technology Flows, Equilibrium Relationship, ECM Model, Nigeria