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**EXPLORING THE ECONOMIC CHALLENGES OF CONFLICT-INDUCED INTERNALLY
 DISPLACED PERSONS IN NORTH EAST, NIGERIA**

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Abstract

The issue of internally displaced persons has become a critical global concern across the world. In Africa, Nigeria, particularly its North East region, has experienced substantial internal displacement due to Boko Haram insurgency. The insurgency has displaced millions of individuals, leading to severe economic hardships that exacerbate the vulnerability of IDPs and hinder their ability to rebuild their lives. This study explores the economic challenges faced by conflict-induced internally displaced persons in Bauchi, Gombe, and Maiduguri states. To accomplish this, Maslow's Human Needs Theory served as the theoretical foundation for the study. Data was gathered through semi-structured interviews, with eighteen informants selected for the study, using purposive sampling. The data was then analyzed using thematic analysis. The findings revealed that IDPs face limited access to startup capital, delays in payments from credit sales, unhealthy business competition, economic discrimination, and unemployment. These challenges significantly impede their economic stability and integration into host communities. The study recommends enhancing access to financial resources, implementing tailored training programs, establishing partnerships with the private sector, and fostering community integration.

Keyword: Internally Displaced Persons, Conflict-Induced Internally Displaced Persons, Economic Challenges, Economic Discrimination

1. Introduction

Internal displacement has emerged as a critical global concern, with 45.7 million internally displaced persons (IDPs) across 61 countries by the end of 2019, surpassing the number of refugees (Umar et al., 2018; Internal Displacement Monitoring Centre, 2020). In line with this, Olanrewaju et al. (2019) observed that internal displacements driven by conflicts, natural disasters, and human made crises have escalated to the level of a global pandemic.

Africa hosts more than half of the world's internally displaced persons, with approximately 16.8 million

individuals displaced by conflict and violence by the end of 2018, representing around 40% of the global total (Ejiofor, et al., 2017). Additionally, in that same year, 2.6 million new displacements were attributed to disasters, particularly those linked to hydro-meteorological hazards (Internal Displacement Monitoring Centre, 2019).

Nigeria, as Africa's most populous nation, faces numerous conflicts and violence, particularly in its North East region, where the Boko Haram insurgency has significantly escalated internal displacement (International Organisation for Migration, 2020).

Displaced persons in Nigeria often encounter a wide range of challenges in their host communities, including severe economic hardships that exacerbate their vulnerability and hinder their ability to rebuild their lives. This study explores the economic challenges faced by conflict-induced IDPs in North East Nigeria.

2. Literature Review

Internally Displaced Persons in the Global Perspective

Internal displacement is a widespread phenomenon affecting millions globally and is increasingly

Key Issues and Trends of Internal Displacement in Africa

Research by Abidde (2021) indicates that nine out of ten African countries with high levels of forced displacement are experiencing conflict. For instance, East African nations, such as Ethiopia, Somalia, and South Sudan, are particularly affected by the combined effects of violence and climate change, leading to severe displacement crises (IDMC, 2020).

Internally Displaced Persons in Nigeria

Nigeria has been plagued by internal conflicts and large-scale violence stemming from ethno-religious tensions, inter-ethnic clashes, and communal conflicts, displacing many Nigerians across the country (Daramola, 2022). According to Idowu et al. (2020) recent estimates indicated that Nigeria hosts nearly 3 million internally

Challenges of Internally Displaced Persons in North East Nigeria

The Boko Haram insurgency has caused widespread displacement and created a severe humanitarian crisis in North East Nigeria (IOM, 2020; Prieto et al., 2020). Many IDPs live in inadequate conditions within camps, with a substantial number residing in open spaces without shelter (Gbigbiddje et al., 2020).

The insurgency has further led to severe humanitarian needs, with IDPs disconnected from their homes, livelihoods, and social ties (Fayehun & Akanle, 2022).

recognized as a pressing crisis (Salihu et al., 2021). By 2020, Europe and Central Asia had recorded approximately 3.3 million IDPs, primarily due to conflict, with Turkey, Azerbaijan, and Ukraine being among the most affected countries (Kuzemska, 2021).

Addressing these challenges requires a combined humanitarian and development approach, as Wistrand (2023) suggests, with Azerbaijan's situation illustrating the need for long-term solutions. Furthermore, Gursay (2021) explores the identity issues faced by IDPs in Georgia because of ethnic crises, while Byers (2021) highlights the significant hardships faced by IDPs, including losses of livelihoods and property.

Similarly, Jelle et al. (2023) emphasized the need for integrated health interventions to address challenges such as childhood vaccination barriers among IDPs in Somalia. Moreover, development projects, including infrastructure development, also contribute to displacement, affecting approximately 15 million people annually (Vanclay, 2017).

displaced persons, ranking first in sub-Saharan Africa and third globally, following Syria and Colombia.

Scholars attributes Nigeria's high number of IDPs to various factors, including the Boko Haram insurgency, ethno-religious conflicts, pastoralist-farmer clashes, armed banditry, and natural disasters such as flooding (Badiora, 2017; Nnadi et al., 2020).

Research by Abbani (2021) highlights the severe health challenges confronting IDPs in Borno, Yobe, and Adamawa states, particularly among women and children who suffer from acute malnutrition and insufficient healthcare services.

3. Methodology

This study employed a qualitative research approach with a phenomenological design to explore the economic challenges faced by conflict-induced IDPs in North East Nigeria. Both primary and secondary data was used. The primary data was collected through semi-

structured interviews with 18 informants, including 4 NGO staffs, 2 inter-governmental officials, 4 government officials, and 8 IDPs, selected through purposive sampling. Secondary data was obtained from relevant reports, research articles, and NGO publications to provide additional context and support for the analysis. The data was analyzed using thematic analysis, involving transcription, coding, and identifying key themes. Validity was ensured through triangulation,

member checking, external auditing, and back translation, while ethical standards were upheld through informed consent, and confidentiality.

4. Results and Discussion

The study discussed the following themes and sub-themes, which were derived from the primary data obtained through semi structured interviews with informants.

Table 1: Emerging themes and sub-themes

S/N	Theme	Sub-theme
1.	Business Defies	(1) Lack of Startup Capitals (2) Unhealthy Competition (3) Selling on Credit
2.	Economic Discrimination	
3.	Lack of Employment Opportunities	

Theme one: Business Defies of Internally Displaced Persons

The informants identify business challenges among the economic challenges experienced by internally displaced persons in their host community in north east, Nigeria. Three themes emerged from the data analysis for this finding: (a) Lack of Startup Capital (b) Unhealthy Competition (c) Selling on credit.

Sub-theme: Lack of Startup Capital

In-depth interviews with the informants brought to light that lack of capital for business operations stands out as a prominent economic challenge faced by internally displaced persons in North East Nigeria. The results indicated that internally displaced persons encounter economic challenges due to absence of startup capital, insufficient capital and limited access to capital to establish businesses after displacement. This is primarily because they are forced to flee for their lives, abandoning their assets and livelihood activities in their original settlements due to the Boko Haram insurgency.

To corroborate this, informant XIV says:

“After our arrival in the host community, I found myself without any means of income. Regrettably, I lack the startup capital necessary to initiate a business venture, which was once a source of support for my family. This absence of financial resources presents a significant challenge in fulfilling my role in contributing to the upkeep of our household, a responsibility I previously shared with my husband.”

Sharing similar perspective, informants VII, IX and XVII explained that:

“Before the displacement, some had businesses and capital, but they were compelled to abandon them due to the Boko Haram attacks. IDPs arriving in the host community with money attempt to engage in economic activities, but they encounter challenges due to insufficient startup capital. Some managed to secure a small space in the market in their host community. They are able to establish Grain business such as Rice, Maize and Beans, starting with a small quantity due to inadequate startup capital. With adequate capital at their disposal, they would have started with 2 or more bags of Rice, Maize and Beans due to the high demand within the host community. This insufficient fund also prevented them from generating higher profits.”

Informant XIII lamented that:

“After I had to leave my home because of the conflict, one of my biggest challenges was restarting economic activities to make a living. I lacked access to capital and even tried to borrow money from the bank, but they told me I needed valuable collateral, such as land or a house, to secure the loan. So I told them that I didn’t have anything like that to offer, so they refuse to give me the loan.”

Sub-theme: Unhealthy Business Competition

The study identified unhealthy business competition as one of the economic challenges experienced by IDPs in North East, Nigeria. The findings disclosed that, despite conflict-induced internally displaced persons having the capital to run small businesses in their host communities, establishing a connection with customers proves challenging. The results revealed that IDPs often find themselves in competition with local business owners for a limited customer base. This competition arises due to the prevalence of trading activities in the host community. Additionally, the extended time it takes for them to sell their products is a direct consequence of this unhealthy competition, adversely influencing their business operations. **For instance, informant III and IX says:**

“Despite internally displaced persons having startup capital and establishing businesses, marketing their products become a challenge. Once IDPs set up businesses in their host community, they often discover that numerous others are already engaged in the same business, predating their arrival. Consequently, establishing a customer base becomes a significant challenge for them. This competition often leads to lower profit margins for IDPs, making it harder for them to sustain their livelihoods.”

While talking about her economic problem, informant XI, a small business owner in the host community, said:

“When I started operating my Rice business, I realized that there were numerous suppliers and sellers of Rice competing in the environment where I live in my host community. This has adversely affected my business, as

there are instances when it takes me a week to sell 27 measures of rice.”

Sub-theme: Selling on Credit

The findings indicated that selling products on credits is one of the major economic challenges encountered by IDPs in their host communities in North East, Nigeria. The study revealed that, after initiating businesses to sustain themselves, IDPs often resort to selling their products on credit to individuals in the host community. Furthermore, the results disclosed that purchasers of IDPs products on credit frequently delay or refuse to repay their debts. This non-payment or delayed payment becomes a significant challenge for IDPs, hindering the growth of their businesses. As a result, IDPs are compelled to follow up on unpaid debts, and sometimes seek the intervention of community leaders to mediate cases of non-payment. **To further substantiate this point, informant VI, I, VIII and X said:**

“The majority of residents in the host community often engage in purchasing products on credit from sellers within their communities, and one of the most formidable aspects of business is the management of overdue payments. They frequently find themselves in the position of diligently following up sometimes to address these financial matters. This practice has resulted in an unsustainable business operation for both the internally displaced persons and other sellers.”

Similarly, informant IV says:

“Most of the IDPs after our contact with them inform us that they tried offering their products on credit to build trust with their customers, especially since many of them are also struggling financially. However, managing credit transactions has proven to be a headache to them. Is very unfortunate that some customers delay payments, and a few never pay back, influencing their cash flow significantly.”

Corroborating these views, informant XVII lamented that:

“I encountered difficulties selling my products on credit to individuals when I started my Grains (Rice

and Beans) business in the host community. Managing debt collection has proven to be difficult, requiring persistent follow-up. Given my resilient nature, I do not easily give up, and I often involve community leaders in the process. While this approach has yielded positive results on occasion, there are instances where it hasn't been as effective. This has influenced my business."

Theme: Economic Discrimination

The study revealed that IDPs in North-East Nigeria face significant discrimination in economic activities. A lack of familial connections hinders their integration into host communities, fostering exclusion. Disparities in wages were evident, with IDPs earning less than local counterparts for similar work. Additionally, host community traders discriminated against IDPs out of fear that they might attract customers, potentially threatening the traders long established income sources. In expressing his experiences with the challenges encountered by IDPs in economic activities, **informant XVI commented that:**

"To earn a living, I found a mechanic job at one of the local garages to support myself. It was challenging because despite having more experience and fixing more cars than some of the local mechanics, I was paid less than them. It was frustrating to face discrimination in payment despite my skills and hard work."

Similarly, informant III and informant X reflecting on this, says:

"In our fieldwork, we have observed cases where IDPs encounter systemic discrimination when selling their products. Locals perceive them as strangers and see them as rivals who are trying to take advantage of the situation. The stigma hinders their capacity to market their goods, as potential customers tend to favour local businesses over those operated by IDPs. This form of discrimination not only impedes the economic prospects of displaced individuals but also contributes to the perpetuation of social divisions within the community."

Theme: Lack of Employment Opportunities

The results demonstrated that lack of employment opportunities is one of the significant economic challenges faced by internally displaced persons in

Northeast Nigeria. The results pointed out that most of the IDPs find it difficult to get employment or work in the formal or informal sector to earn a living to improve their economic status. The study findings further revealed that when the host community individuals refuse to employ the IDPs, some of the IDPs tried their best to establish small business to generate income, while some resort to begging for food and money from the local community people to earn living to improve their socioeconomic wellbeing. **Commenting on this, informant II explained that:**

"After displacement, most the IDPs lack employment opportunities in the formal and informal sector despite the fact that they are willing to work to earn living and promote the socioeconomic wellbeing of their family."

To validate this, informant XIV said:

"I tried to look for something doing. I even went to the extent of going around the local host community to seek a house cleaning job. I could not get even a single house to employ me despite knowing that I am seeking a job to assist my family. These people consider IDPs as strangers. Therefore, they did not trust us. I have to resort to begging people for food and money to feed my family. Had it been that I have capital during that period, I would have established a business to take care of my family."

Another informant XI lamented that:

"I tried my best to seek a teaching job with my NCE certificate in the host community schools, but they all refused to hire me. When I was tired of seeking a teaching job, I started trading with some of the money I arrived in the host community with, as I told you earlier."

Discussion of Findings

The results indicated that IDPs face significant economic challenges due to a lack of startup capital needed to establish, diversify, or expand their economic activities. This deficiency manifests in several ways, including the absence of startup funds, inadequate operational funds, and a lack of access to capital. Supporting the results of this study, literature states that internally displaced persons often lack sufficient

physical assets, savings, investments, and operational business capital, severely constraining their income-generation capabilities (Ishaku, et al., 2020; Titilope et al., 2019). Similarly, the study findings validate the report of Oshaba (2022), which confirmed that insufficient funds prevent IDPs from generating adequate profits, leaving their income barely enough to cover essential needs, including food and basic necessities.

The result revealed that unhealthy competition is one of the challenges experienced by IDPs in their host communities in North East Nigeria. This result is in line with the views of Arredondo et al. (2011), which pointed out to the serious competition between host communities and displaced persons due to establishing informal businesses in the public spaces which frequently leads to violent confrontations. Upholding this result, previous studies indicated that the competition for resources and services characterizes the relationship between IDPs and host communities in rural areas, affecting residents who compete with IDPs for limited manual jobs (Cotroneo, 2017; IDMC (2018).

The finding demonstrated that IDPs who start businesses encounter economic challenges by relying on selling on credit, leading to delayed or non-payment by customers and hampering their business growth and profitability. This aligns with the documented findings of previous studies conducted by Abdullahi et al. (2019), which highlighted how selling on credit has adversely affected the success of IDPs. Similarly, this finding agreed with the prior studies which lamented that customers who buy on credit often delay repayments and may switch to buying from other shops, adversely affecting the sustainability of businesses (Aladejebi, 2019; Babalola, 2019).

Furthermore, the study finding revealed that IDPs face discrimination from host community members, resulting in economic disadvantages and wage disparities. Host community members often prefer purchasing products and services from their own community individuals, viewing IDPs as outsiders and potential rivals. This finding is in line with the previous

study conducted by Endris (2022), who indicated that the major challenges encountered by IDPs includes limited access to sources of income, lack of working space, and discrimination. Similarly, upholding the results of this study, prior studies demonstrated how host communities often fail to consider IDPs as integral members, contributing to discrimination due to the absence of familial connections (Wanninayake, 2017).

The study results also revealed that a significant number of IDPs are unemployed, struggling to find work in both formal and informal sectors. Host community members often refuse to employ IDPs, forcing some to establish small businesses or resort to begging to meet basic needs. This finding is consistent with the study conducted by Aletan, et al. (2023) which identified insecurity, lack of housing, inadequate food, and unemployment as pervasive issues affecting the IDPs in Nigeria.

5. Conclusion and Recommendation

This study highlights the significant economic challenges faced by conflict induced internally displaced persons in North East Nigeria, particularly in Bauchi, Gombe, and Maiduguri states. Internally displaced persons faced limited access to startup capital, delayed payments from credit sales, unhealthy business competition, economic discrimination, and high unemployment rates, which severely hindered their efforts to rebuild their lives and integrate into host communities. These barriers not only undermine the economic stability of IDPs, but also contribute to their marginalization within the local economy. The findings underscore the urgent need for targeted interventions to address these challenges and support IDPs in achieving economic self-sufficiency.

Based on the findings of this study, the following recommendations are proposed to address the economic challenges faced by IDPs in North East Nigeria:

There is a need to establish microfinance schemes and credit facilities tailored to the needs of IDPs, enabling them to access startup capital for their businesses.

The government should provide training in business skills, and vocational skills to help IDPs integrate more effectively into local economies.

Government should initiate programs that foster greater integration between IDPs and host communities, with a focus on reducing discrimination and building social

cohesion through community dialogue and shared economic activities.

Lastly, there is a need to encourage collaboration between NGOs, government agencies, and the private sector to create sustainable economic opportunities for IDPs, including initiatives that focus on job creation and business development.

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