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THE POLITICAL ECONOMY OF MILITARISED PUBLIC SPENDING IN NIGERIA: HUMAN DEVELOPMENT, FISCAL TRADE-OFFS, AND THE LIMITS OF SECURITY-LED DEVELOPMENT

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Abstract

This study examines the political economy of militarised public spending in Nigeria and its implications for human development. It addresses a central paradox: despite rising defence expenditure over the past two decades, insecurity remains pervasive while human development indicators, especially in education and health, remain weak. Drawing on data from the Stockholm International Peace Research Institute (SIPRI) and the World Bank's World Development Indicators (WDI), the study combines descriptive trend analysis with political economy interpretation to examine patterns in military, health, and education spending. The findings show that Nigeria's military expenditure has risen sharply but unevenly, reflecting a reactive and crisis-driven fiscal posture rather than a stable long-term security strategy. At the same time, education spending remains persistently low, while health spending, though comparatively higher, is still insufficient relative to development needs. The study argues that this pattern reflects deeper structural dynamics, including fiscal trade-offs, governance weaknesses, opacity in defence spending, and elite incentives that sustain militarisation. By integrating Military Keynesianism, Critical Financial Studies, and postcolonial political economy, the study shows that militarised spending may reproduce rather than resolve insecurity when it crowds out investment in human capital. The study concludes that durable security in Nigeria requires a rebalancing of public expenditure toward education, health, employment, and accountable security governance.

Keywords: Militarised Public Spending; Human Development; Security–Development Nexus; Political Economy; Fiscal Trade-offs; Governance; Nigeria

1. Introduction

Nigeria's persistent and evolving security challenges have significantly reshaped the country's fiscal priorities. The challenges range from insurgency in the North-East to banditry in the North-West, secessionist tensions in the South-East, and widespread urban criminality in many states. In response to this, successive governments have expanded public expenditure on defence and internal security, reflecting a policy consensus that enhanced coercive capacity is

necessary for restoring stability and enabling development (World Bank, 2022; BudgIT, 2023). However, this strategy presents a critical paradox: despite substantial increases in military spending, insecurity remains pervasive, while key indicators of human development continue to lag over the years (Omeje, 2016; UNICEF, 2024).

Recent empirical evidence highlights the scale of this paradox. Military expenditure in Nigeria has increased

significantly over the past two decades, with particularly sharp rises during periods of intensified conflict (Dunne & Tian, 2021; Olayiwola et al., 2024). At the same time, sectoral expenditure patterns reveal persistent underinvestment in human capital, especially in education, where public spending remains far below international benchmarks (UNICEF, 2024; Aremu & Ibrahim, 2020). Although health expenditure has shown modest improvements, it remains insufficient relative to Nigeria's population size and development needs (World Bank, 2022). This divergence raises fundamental questions about the effectiveness and sustainability of a security strategy anchored primarily in militarisation.

This article argues that the limitations of Nigeria's security outcomes cannot be understood solely in terms of resource constraints or operational inefficiencies. Rather, they reflect deeper political-economic dynamics embedded within the structure of public spending. Specifically, the paper contends that Nigeria exhibits a pattern of reactive militarisation combined with structural underinvestment in human development, creating a self-reinforcing cycle in which insecurity drives increased military expenditure, while inadequate investment in education, health, and livelihoods perpetuates the underlying conditions of insecurity (Obasi et al., 2018; Adegioriola, 2022).

To address this problem, the study is guided by two central research questions: (1) how does militarised public spending shape human development outcomes in Nigeria? and (2) what political-economic mechanisms sustain the prioritisation of military expenditure despite its limited effectiveness in improving security? These questions are examined through an integrated analytical framework combining insights from Military Keynesianism, Critical Financial Studies, and postcolonial political economy (Dunne & Tian, 2021; Konings, 2015; Ake, 1996).

The paper advances the existing literature in three key aspects. First, it provides an empirically grounded analysis of Nigeria's fiscal trajectory by combining data

from the Stockholm International Peace Research Institute and the World Bank World Development Indicators to demonstrate both the scale and structural characteristics of militarisation. Second, it moves beyond descriptive accounts of defence spending by linking expenditure patterns to underlying mechanisms of fiscal trade-offs, elite capture, and institutional incentives (Omeje, 2016; Transparency International Defence & Security, 2021). Third, it contributes to debates on security and development by demonstrating that militarised spending, in the absence of sustained investment in human capital, may reproduce rather than resolve insecurity (Sen, 1999; UNDP, 1994).

The remainder of the paper is structured as follows. Section 2 reviews the relevant literature Section 3 outlines the methodology and data sources. Section 4 develops the conceptual and theoretical framework. Section 5. Presents stylized empirical facts on militarisation and sectoral spending patterns in Nigeria. Section 6 analyses the political economy of militarised public spending in Nigeria. Section 7 discusses the implications for human development and security outcomes, while Section 8 offers policy recommendations. Section 9 concludes.

2. Literature Review

The relationship between military expenditure, security outcomes, and economic development has been widely debated among scholars. While early studies emphasised the potential macroeconomic benefits of defence spending, more recent studies in developing and conflict-affected contexts highlights its ambiguous and often adverse implications for human development. This section reviews the major strands of the literature and identifies the gaps that this study addresses.

Military Spending and Economic Growth

Early theoretical work on Military Keynesianism suggests that defence expenditure can stimulate economic growth through increased aggregate demand, employment generation, and industrial expansion (Baran & Sweezy, 1966; Melman, 1985). This perspective was largely informed by the experience of

advanced industrial economies, where defence industries are deeply integrated into domestic production systems. However, empirical evidence from developing countries presents a more mixed picture. Studies show that the growth effects of military expenditure depend heavily on structural conditions such as domestic industrial capacity, governance quality, and the composition of spending (Dunne & Tian, 2021). In many low- and middle-income countries, defence spending is import-intensive, limiting domestic multiplier effects and reducing its contribution to economic growth (Deger & Sen, 1995).

More recent cross-country analyses find that high military expenditure can crowd out productive public investment, particularly in education and infrastructure, thereby constraining long-term growth (Gupta et al., 2002). In fragile and conflict-affected states, this effect is often exacerbated by weak institutions and fiscal constraints.

Human Security and Development

An alternative strand of literature emphasises the concept of human security, which shifts the focus from state-centric notions of security to the well-being of individuals. The human security framework argues that sustainable peace depends on investments in health, education, and livelihoods rather than coercive capacity alone (UNDP, 1994; Sen, 1999).

Empirical research supports this perspective, demonstrating that low levels of human development are strongly associated with higher risks of conflict and instability (Stewart, 2008). In the Nigerian context, structural factors such as youth unemployment, limited access to education, and regional inequalities have been identified as key drivers of insecurity (World Bank, 2022; UNICEF, 2024).

This body of work suggests that underinvestment in human capital not only reflects development challenges but also actively contributes to the persistence of insecurity. As such, fiscal strategies that prioritise

military expenditure at the expense of social investment may undermine long-term stability.

Militarisation, Governance, and Political Economy in Africa

A growing body of Africanist scholarship examines the relationship between militarisation and governance. These studies argue that defence spending in many postcolonial states is shaped not only by external threats but also by internal political dynamics, including regime survival and elite interests (Ake, 1996; Mkandawire, 2010). Research further highlights the governance challenges associated with defence sectors, particularly in contexts characterised by limited transparency and weak institutional oversight. High levels of secrecy in military procurement processes increase the risk of corruption and inefficiency (Transparency International, 2021). In addition, the expansion of private security actors and international security partnerships has contributed to the entrenchment of militarised governance structures (Abrahamsen & Williams, 2011). These dynamics suggest that militarisation is not merely a policy response to insecurity but is embedded within broader systems of political and economic incentives.

Nigeria-Specific Evidence

Nigeria-specific studies provide detailed insights into the fiscal and institutional dimensions of militarisation. Budget analyses consistently document increasing allocations to defence and internal security, often at the expense of social sector investment (World Bank, 2022; BudgIT, 2023). Scholarly work highlights how governance challenges, including opaque procurement systems, weak oversight, and discretionary security expenditures have continued to expose Nigeria's defence sector to significant corruption and accountability risks (Transparency International Defence & Security, 2021; Ezeilo, 2018). These institutional features contribute to what has been described as a "security rentier" system. This is a situation in which insecurity generates economic opportunities for elites embedded within the defence sector. At the same time, empirical studies link

persistent underdevelopment, particularly in education and employment, to the drivers of conflict and instability in Nigeria (World Bank, 2022; UNICEF, 2024). This reinforces the argument that fiscal imbalances between defence and human development sectors have significant implications for security outcomes.

Research Gap and Contribution

Despite the breadth of existing scholarship, several important gaps remain. First, much of the literature treats military expenditure either as a macroeconomic variable or as a governance issue, with limited integration between these perspectives. Second, empirical analyses often focus on aggregate defence spending without systematically comparing it to social sector investment, particularly in education and health.

Third, while there is increasing recognition of the link between underdevelopment and insecurity, fewer studies explicitly examine how fiscal structures may simultaneously reflect and reproduce this relationship. In particular, there is limited work that combines quantitative evidence on sectoral spending with a theoretically grounded political economy analysis of the mechanisms sustaining militarisation.

This study addresses these gaps by integrating the understandings that emanate from Military Keynesianism, Critical Financial Studies, and postcolonial political economy, while grounding the analysis in empirical evidence drawn from both military and social sector expenditure data. In doing so, it provides a more comprehensive account of how militarised public spending interacts with human development outcomes in Nigeria, and why this pattern persists despite its apparent limitations.

3. Conceptual and Theoretical Framework

Understanding the persistence of militarised public spending in Nigeria requires an analytical framework that goes beyond conventional security analysis. This study adopts an integrated political economy approach that combines some understandings from Military Keynesianism, Critical Financial Studies (CFS), and

postcolonial political economy. Together, these perspectives illuminate the macroeconomic rationales, financial mechanisms, and historical institutional dynamics that underpin militarisation.

Military Keynesianism and Its Limits

Military Keynesianism posits that defence expenditure can stimulate economic activity by increasing aggregate demand, supporting employment, and sustaining industrial production (Baran & Sweezy, 1966; Melman, 1985). In advanced economies, particularly during the post-war period, defence spending has been associated with industrial expansion and technological innovation.

However, the applicability of this framework to developing economies is highly contested. Empirical studies suggest that the growth effects of military expenditure depend on domestic absorptive capacity, industrial linkages, and the structure of procurement (Dunne & Tian, 2021). In many developing countries, including Nigeria, defence spending is largely import-dependent, limiting its multiplier effects and reducing its contribution to long-term economic development.

Furthermore, the empirical patterns identified in Section 5 particularly the volatility and episodic spikes in military expenditure, indicate that such spending is not deployed as a stabilising macroeconomic tool, but rather as a reactive response to insecurity. This aligns with broader findings that military expenditure in conflict-affected states often fails to produce sustained economic benefits and may instead divert resources from more productive sectors (Deger & Sen, 1995; Dunne & Tian, 2021).

Critical Financial Studies and the Political Economy of Extraction

Critical Financial Studies provides a lens for analysing how financial systems and public expenditure structures can function as mechanisms of power and extraction rather than purely instruments of welfare (Konings, 2015). In this framework, fiscal flows, particularly in

sectors characterised by opacity, can generate opportunities for rent-seeking and elite capture.

In the context of Nigeria, defence and security spending is often associated with limited transparency, classified expenditures, and discretionary allocations such as security votes. These institutional features create conditions under which public resources may be diverted or inefficiently allocated. Research on governance and corruption highlights that sectors with high levels of secrecy and weak oversight are particularly vulnerable to rent extraction (Transparency International, 2021).

This perspective helps explain why militarisation may persist despite limited effectiveness in improving security outcomes. Where insecurity generates sustained demand for security-related expenditure, it can also create economic opportunities for actors embedded within defence procurement and contracting networks. As a result, militarised spending may become self-reinforcing, not because it resolves insecurity, but because it is embedded within broader systems of political and economic incentives (Omeje, 2016).

Postcolonial Political Economy and the Legacy of Coercive State Formation

Postcolonial political economy emphasises the historical origins of state structures and fiscal priorities in formerly colonised societies. Colonial administrations often organised governance systems around control, extraction, and coercion rather than welfare provision, leaving enduring institutional legacies (Ake, 1996; Mamdani, 1996).

In Nigeria, these legacies are reflected in the continued prioritisation of coercive state capacity over social investment. Even within a democratic framework, the state's fiscal orientation remains influenced by concerns of regime stability and territorial control. This helps explain the persistent underinvestment in sectors such as education, as identified in Section 5, despite their critical importance for long-term development.

Institutional path dependency further reinforces these patterns. Once established, fiscal and governance structures tend to persist over time, shaping policy choices and limiting the scope for reform (North, 1990). In this context, militarisation is not simply a response to contemporary security challenges, but also a reflection of historically embedded state priorities.

Theoretical Synthesis: Explaining the Militarisation–Underdevelopment Nexus

Individually, each of these frameworks identified above, provides a partial explanation of Nigeria's fiscal dynamics. Taken together, they offer a more comprehensive account of the militarisation–underdevelopment nexus identified in this study.

Military Keynesianism explains the policy logic that legitimises increased defence spending, particularly during periods of crisis. Critical Financial Studies reveals how the structure of defence financing can facilitate rent extraction and reduce allocative efficiency. Postcolonial political economy situates these dynamics within a broader historical and institutional context that privileges coercive state functions over welfare provision.

The interaction of these forces produces the empirical pattern observed in Section 5: reactive increases in military expenditure, persistent underinvestment in human development especially education, and a failure to achieve durable security outcomes. This synthesis leads to a central proposition of this paper: militarised public spending in Nigeria is not merely a response to insecurity, but part of a broader political economy system that can reproduce the very conditions of insecurity it seeks to address.

This integrated framework provides the foundation for analysing the specific mechanisms through which militarisation is sustained in Nigeria, to which the paper now turns.

4. Methodology

Research Design

To achieve the objectives of this study, the research design adopts a political economy's approach that combines descriptive quantitative analysis with qualitative institutional interpretation. The idea behind this is to examine the relationship between militarised public spending and human development outcomes in Nigeria. The approaches of political economy are particularly suited to analysing public expenditure patterns, as they allow for the integration of economic outcomes with institutional dynamics, governance structures, and power relations (Alesina & Perotti, 1996; Acemoglu & Robinson, 2012).

The research design is anchored in a mixed-method logic. First, it employs quantitative trend analysis to identify patterns in military, health, and education expenditure over time. Second, it interprets these patterns through a political economy lens to explain how fiscal outcomes are shaped by elite incentives, institutional constraints, and policy priorities. This approach aligns with established work emphasising the importance of combining empirical data with institutional analysis in development research (North, 1990; Rodrik, 2008).

Data and Sources

The study draws on multiple secondary data sources to ensure reliability and triangulation. Data on military expenditure in absolute terms (constant US dollars) is sourced from the Stockholm International Peace Research Institute Military Expenditure Database, which is widely recognised as one of the most authoritative global datasets on defence spending (SIPRI, 2024). To capture the structural dimensions of militarisation and sectoral allocation patterns, the study utilises indicators from the World Bank World Development Indicators (WDI). These include military expenditure as a percentage of GDP, as well as government expenditure on health and education. The WDI dataset is commonly used in comparative development research due to its standardised

methodology and cross-country comparability (World Bank, 2022).

In addition, the analysis is informed by national and institutional reports, including budget data and sectoral analyses from Nigerian fiscal monitoring organisations such as BudgIT, as well as international governance assessments from Transparency International. These sources provide contextual insights into budget composition, procurement practices, and institutional accountability.

Analytical Strategy

The empirical analysis proceeds in three stages. First, time-series trend analysis is conducted to identify long-term trends and key turning points in military expenditure. This includes examining periods of significant increases or declines and relating them to broader security developments. Time-series approaches are widely used in the analysis of defence spending and its macroeconomic implications (Dunne & Tian, 2021).

Second, comparative sectoral analysis is undertaken by examining the relative shares of military, health, and education expenditure. This allows the study to identify fiscal trade-offs and assess whether increases in defence spending are associated with stagnation or underinvestment in human development sectors. Such comparative approaches are central to the study of public finance allocation in developing economies (Gupta et al., 2002).

Third, the quantitative findings are interpreted using a political economy framework to identify the mechanisms sustaining militarised spending. This includes analysing issues such as governance quality, procurement opacity, and elite incentives. The aim is not only to describe fiscal patterns but to explain their persistence, consistent with institutional and political economy analyses of public policy (Acemoglu & Robinson, 2012).

Limitations

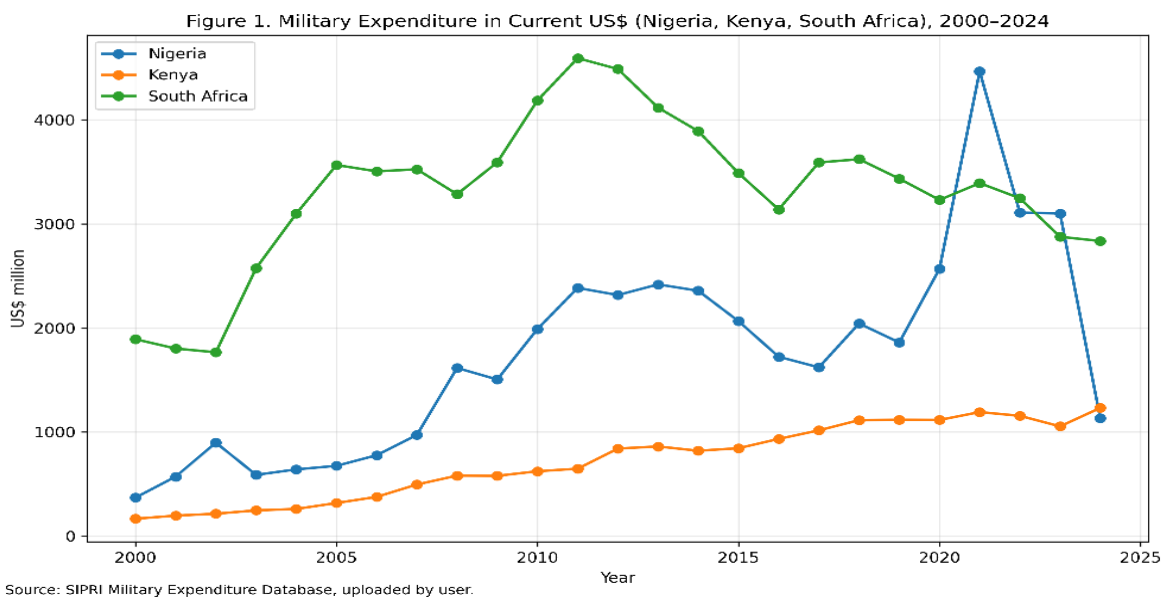
Several limitations should be acknowledged. First, aggregate expenditure data does not capture the

efficiency or effectiveness of spending, particularly in contexts where governance challenges may affect resource allocation (Transparency International, 2021). Second, variations in reporting standards across datasets may introduce measurement inconsistencies, although the use of widely recognised sources such as SIPRI and the World Bank mitigates this concern.

Third, the analysis is conducted at the national level and may not fully capture regional disparities in both spending and security dynamics. Finally, while the study identifies strong associations between militarisation and human development outcomes, it does not establish definitive causality. Instead, it offers a theoretically informed interpretation of observed patterns, consistent with political economy's approaches to development analysis (Rodrik, 2008).

Despite these limitations, the combination of multiple data sources and an integrated analytical framework provide a robust basis for examining the structure, drivers, and implications of militarised public spending in Nigeria.

5. Stylized Facts: Militarisation and Human Development in Nigeria



The figure shows that South Africa consistently records the highest defence spending in absolute terms,

This section presents key empirical patterns that characterise Nigeria's fiscal approach to security and development. Drawing on data from the Stockholm International Peace Research Institute and the World Bank World Development Indicators (WDI), and supported by recent empirical literature, the study identifies four stylized facts that underpin the political economy analysis that follows.

Rising and Volatile Military Expenditure

Nigeria's military expenditure has increased substantially over the past two decades, though not in a linear or stable manner. In absolute terms, defence spending rose from less than \$400 million in 2000 to peaks exceeding \$4.4 billion in 2021. This pattern is consistent with broader findings that military expenditure in Nigeria has expanded significantly in response to escalating security threats, particularly since the intensification of insurgency after 2010 (Dunne & Tian, 2021; Olayiwola et al., 2024). To illustrate the long-run trajectory of defence spending, Figure 1 plots military expenditure in current US dollars comparing Nigeria with Kenya and South Africa with the sub-Saharan Africa between 2000 and 2024.

reflecting its larger and more established military budget. Nigeria's expenditure rises sharply over the

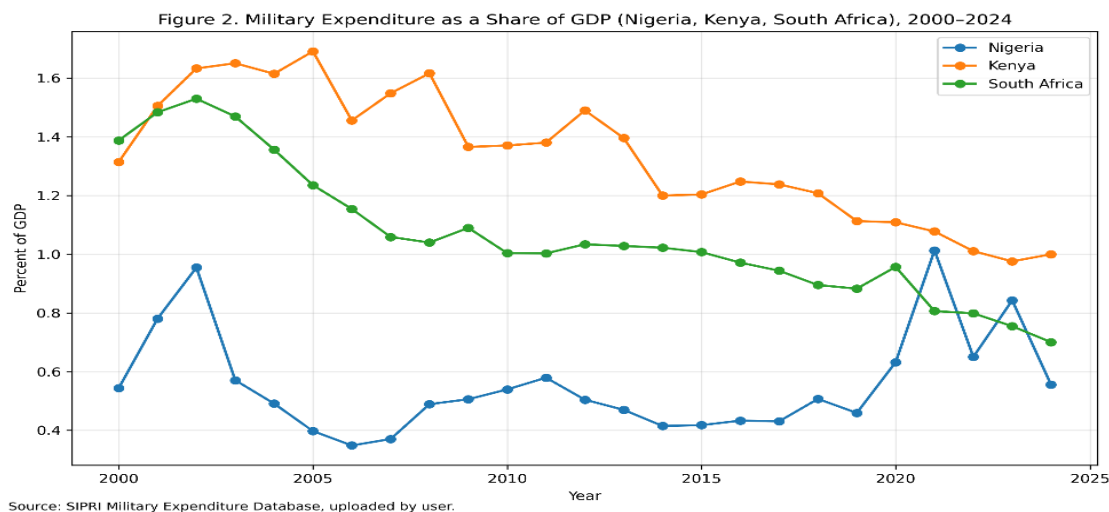
period and becomes increasingly volatile, especially in the years associated with intensified insecurity, while Kenya's spending remains comparatively lower and more stable. This comparison is analytically important because it shows that Nigeria's distinctiveness lies not simply in spending more than its peers in absolute terms, but in the sharp fluctuations and rapid escalation of expenditure under crisis conditions. The pattern supports the argument presented in this study that militarisation in Nigeria is more reactive and security-shock driven than the comparatively steadier trajectories observed in Kenya and, to a lesser extent, South Africa.

The rapid expansion of Nigeria's military spendings are followed by contractions reflecting a reactive fiscal posture rather than sustained strategic planning. Such volatility is common in conflict-affected settings, where short-term security pressures often displace longer-term development priorities (World Bank, 2011; Dunne & Tian, 2021). In Nigeria's case, the sharp increase around 2020–2021 aligns with heightened insecurity,

yet subsequent declines suggest the absence of a stable fiscal framework for security provisioning.

Militarisation in Relative Terms: A Moderate but Reactive Burden

When measured as a share of gross domestic product, Nigeria's military expenditure appears relatively modest over the long term, generally fluctuating between approximately 0.3% and 0.6% of GDP. However, this apparent moderation obscures important episodic spikes, with military expenditure rising to over 1% of GDP in 2021. This pattern reflects what the literature describes as reactive militarisation, where defence spending expands sharply during crises but lacks long-term strategic consistency (Dunne & Tian, 2021). While Nigeria is not among the highest military spending country globally in proportional terms, these episodic surges impose significant fiscal pressures, particularly in a context of constrained revenues and rising debt obligations (World Bank, 2022). To move beyond absolute spending levels, Figure 2 presents military expenditure as a share of GDP comparing military expenditure as a share of GDP in Nigeria, Kenya, and South Africa between 2000 and 2024.



The figure shows that although South Africa often records higher military expenditure in absolute terms, its military burden relative to GDP is not uniformly higher than Nigeria's across the period. Nigeria's profile is distinguished by sharper fluctuations and more visible spikes, especially in periods associated with heightened insecurity, suggesting that military expenditure imposes a more reactive and crisis-driven

burden on the economy. Kenya's series, by contrast, appears comparatively more stable and moderate. This comparative pattern reinforces the argument present in this study that the central issue in Nigeria is not merely how much is spent on defence, but the volatility and episodic intensification of military spending relative to national output.

Persistent Imbalance: Defence versus Human Development Spending

A clearer picture of fiscal priorities emerges when military expenditure is compared with spending on health and education. Health expenditure has remained consistently higher than military spending as a share of GDP, averaging between 3% and 4% over the past decade. While this indicates some level of commitment to social investment, the overall level remains insufficient relative to Nigeria's development needs and international benchmarks (World Bank, 2022). In contrast, education spending reveals a more critical structural imbalance. Public expenditure on education has remained persistently low, typically around 0.3% to

0.4% of GDP. This level is significantly below global recommendations and reflects chronic underinvestment in human capital formation. Empirical studies have consistently linked low education spending has coincided with severe educational deprivation, including large numbers of out-of-school children, while broader human capital weaknesses continue to limit long-term development and resilience (UNICEF, 2024; World Bank, 2022). The divergence between defence and education spending highlights a fundamental fiscal trade-off. The trade-off between militarisation and human development becomes clearer when military spending is compared directly with health and education expenditure as in figure 3.

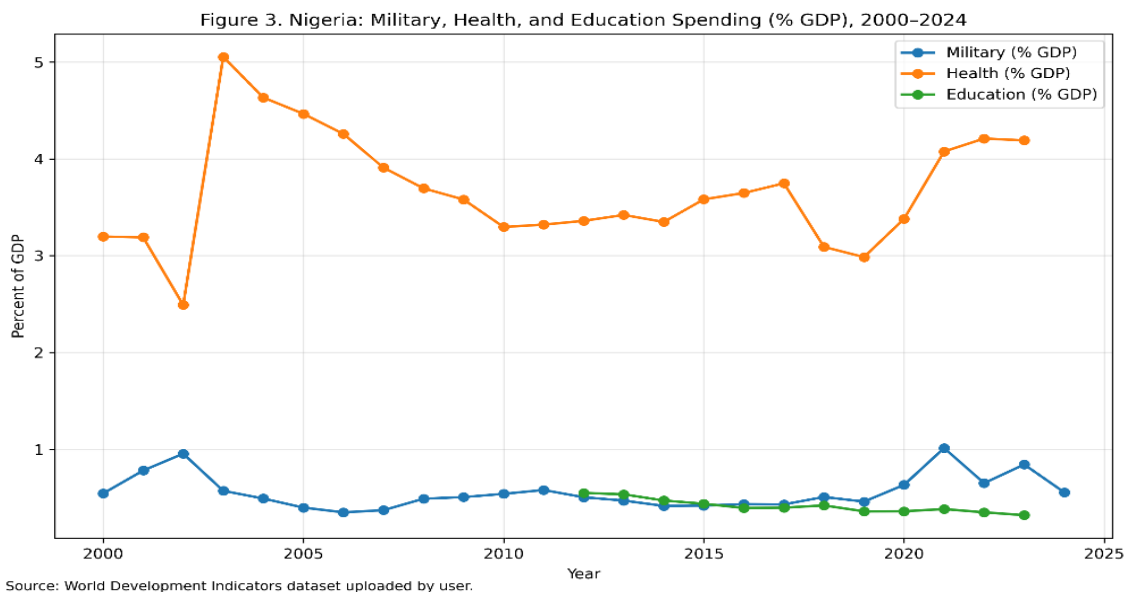


Figure 3 provides the clearest evidence of the central claim made in this study. While health spending remains consistently above military expenditure, education spending remains persistently low throughout the period. The figure therefore reveals a structural imbalance in sectoral priorities, where military responses to insecurity are not matched by sustained investment in the human capital foundations of long-term stability. This supports the argument that reactive militarisation coexists with chronic underinvestment in the social sectors most relevant to preventing insecurity.

In resource-constrained environments, increased military expenditure can crowd out investments in

productive sectors such as education and health (Obasi et al., 2018). This crowding-out effect is particularly problematic in Nigeria, where human capital deficits are already severe and closely linked to patterns of insecurity.

The Empirical Paradox: Rising Spending, Persistent Insecurity

The most striking feature of Nigeria's fiscal trajectory is the disconnect between rising military expenditure and persistent insecurity. Despite substantial increases in defence spending, particularly during periods of heightened conflict, there is limited evidence of corresponding improvements in security outcomes. Empirical research finds that military expenditure in

Nigeria does not significantly reduce poverty or unemployment and may have weak or even negative effects on economic growth (Adegoriola, 2022; Olayiwola et al., 2024).

This paradox suggests that increased spending alone is insufficient to address the complex drivers of insecurity. Instead, it points to deeper structural and institutional challenges, including inefficiencies in resource allocation, governance weaknesses, and the neglect of socio-economic determinants of conflict (Omeje, 2016; World Bank, 2022).

Putting these all together, the stylized facts reveal a pattern of reactive militarisation combined with structural underinvestment in human development, particularly education. This configuration creates the conditions for a self-reinforcing cycle in which insecurity drives increased military expenditure, while insufficient investment in human capital perpetuates the underlying causes of insecurity, producing what is popularly known as vicious cycle of violence. Understanding this dynamic requires a broader political economy framework, to which the paper now turns.

6. Political Economy of Militarised Public Spending in Nigeria

Building on the stylized facts and theoretical framework, this section analyses the political-economic mechanisms that sustain militarised public spending in Nigeria. It argues that militarisation is not simply a response to insecurity, but a structurally embedded outcome shaped by reactive fiscal behaviour, institutional constraints, and elite incentives.

Reactive Militarisation and Crisis-Driven Spending

The empirical patterns identified in Section 5 reveal that Nigeria's military expenditure is characterised by episodic spikes rather than sustained strategic planning. This reflects a form of reactive militarisation, in which fiscal responses are driven by immediate security crises rather than long-term policy frameworks. Such patterns are consistent with broader findings in the literature on defence economics, which show that in conflict-

affected states, military spending often responds to short-term threat perceptions rather than development-oriented planning (Dunne & Tian, 2021). In Nigeria, major increases in defence expenditure have typically coincided with escalations in insurgency and internal conflict, reinforcing a cycle in which insecurity triggers increased spending without addressing underlying causes.

This reactive approach limits the effectiveness of military expenditure by prioritising rapid deployment over institutional reform, intelligence capacity, and preventive strategies. As a result, increased spending does not necessarily translate into improved security outcomes.

Fiscal Trade-offs and the Crowding-Out of Human Development

A central feature of Nigeria's fiscal structure is the trade-off between defence spending and investment in human development. As shown in Section 5, education expenditure remains persistently low, while health spending, though relatively higher, is still inadequate.

The literature on public finance suggests that in resource-constrained environments, increased military expenditure can crowd out productive investment in sectors such as education and health (Gupta et al., 2002). This trade-off is particularly significant in Nigeria, where fiscal space is constrained by revenue volatility and high debt servicing obligations (World Bank, 2022).

The consequences of this imbalance are profound. Underinvestment in education contributes to high levels of youth unemployment, low skill formation, and limited economic opportunities. All these are factors considered to have been widely linked to the persistence of insecurity (World Bank, 2022; UNICEF, 2024). In this context, militarised spending may inadvertently exacerbate the conditions that sustain conflict, reinforcing a self-perpetuating cycle.

Elite Capture and Security Rentierism

Beyond fiscal trade-offs, the persistence of militarised spending is closely linked to patterns of elite capture and rent-seeking. Defence and security sectors are often characterised by high levels of opacity, including classified budgets, discretionary expenditures, and complex procurement processes. These features create opportunities for the diversion of public resources and the consolidation of elite interests.

Research on governance and corruption indicates that sectors with limited transparency are particularly vulnerable to rent extraction (Transparency International, 2021). In Nigeria, practices such as security votes and off-budget expenditures further weaken accountability and enable the concentration of financial control within executive structures.

This dynamic gives rise to what can be described as security rentierism, where insecurity itself generates economic opportunities for actors embedded within defence procurement networks, political elites, and private contractors (Omeje, 2016). In such a system, the continuation of insecurity may align with the interests of certain actors, reducing incentives for comprehensive reform.

Institutional Weaknesses and Governance Constraints

Institutional factors play a critical role in shaping fiscal outcomes. This includes weak oversight mechanisms, limited legislative scrutiny, and capacity constraints within public financial management systems both of which reduce the effectiveness of defence spending. Institutional economics highlights the importance of governance structures in determining the allocation and efficiency of public resources (North, 1990; Acemoglu & Robinson, 2012). In Nigeria, weaknesses in procurement systems and budget implementation processes contribute to inefficiencies that undermine the impact of military expenditure. Furthermore, the fragmentation of security institutions and overlapping mandates can lead to coordination failures, reducing the overall effectiveness of spending. These institutional

challenges reinforce the gap between expenditure levels and security outcomes.

External Influences and the International Security Architecture

Nigeria's militarisation is also shaped by external factors, including international security partnerships, foreign military assistance, and global counterterrorism frameworks. These external engagements often prioritise short-term security objectives, such as counterinsurgency operations, over long-term development strategies. While international support can enhance operational capacity, it may also reinforce a militarised approach to security by privileging defence solutions over socio-economic interventions (Abrahamsen & Williams, 2011). In addition, reliance on imported military equipment further limits domestic economic spillovers, consistent with findings in the defence economics literature (Dunne & Tian, 2021).

Synthesis: The Self-Reinforcing Cycle of Militarisation and Underdevelopment

Taken together, these factors produce a self-reinforcing cycle of militarisation and underdevelopment. Insecurity drives increased military expenditure, which, due to fiscal trade-offs, institutional weaknesses, and elite incentives, fails to address underlying socio-economic drivers of conflict. The persistence of these drivers, in turn, sustains insecurity and justifies further militarisation.

This cycle reflects a deeper structural problem: militarised public spending in Nigeria is embedded within a political economy system that prioritises short-term security responses over long-term development. As a result, it not only fails to resolve insecurity but may also contribute to its persistence.

Understanding this dynamic is essential for designing effective policy interventions, as it highlights the need to move beyond purely military solutions toward a more balanced approach that integrates security and development objectives.

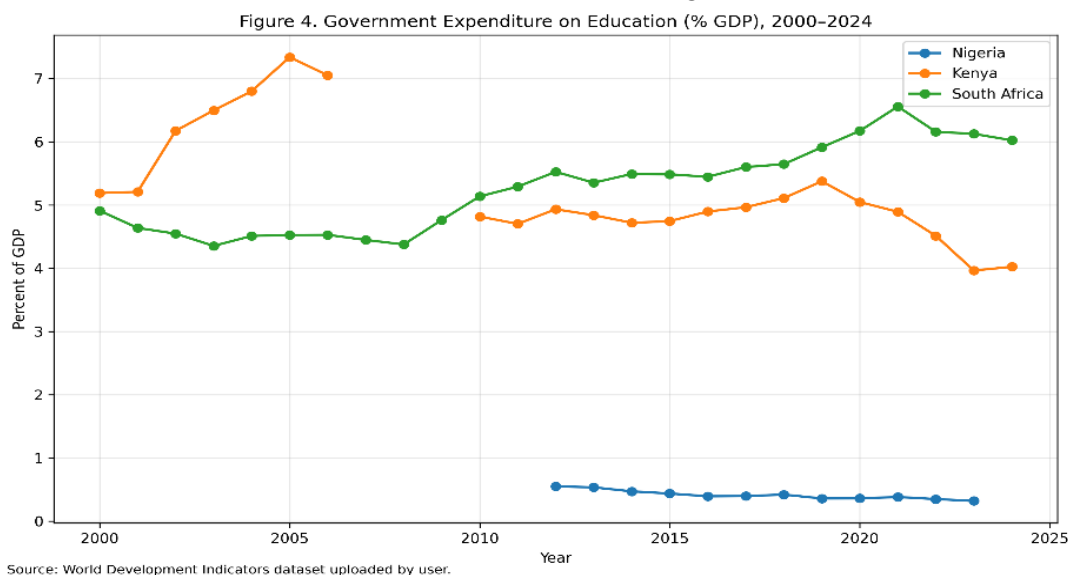
7. Implications for Human Development and Security Outcomes

The political economy dynamics identified in the preceding section have far-reaching implications for both human development and security outcomes in Nigeria. This section argues that militarised public spending, when not complemented by sustained investment in human capital, contributes to the reproduction of insecurity, undermines state legitimacy, and imposes significant long-term development costs.

Reproduction of Insecurity through Human Development Deficits

A central implication of the current fiscal structure is the reinforcement of the socio-economic conditions that

drive insecurity. As demonstrated in Section 5, education spending in Nigeria remains persistently low, while health investment is insufficient relative to population needs. These deficits have direct consequences for human development outcomes, including high levels of youth unemployment, limited access to quality education, and widespread poverty. Figure 4 reinforces this point by placing Nigeria's education spending in comparative perspective against Kenya and South Africa, where the series generally appears stronger and more sustained. Taken together, the figures suggest that Nigeria's fiscal response to insecurity is characterised less by balanced state-building than by reactive militarisation alongside chronic neglect of education.



The contrast underscores how persistently weak Nigeria's investment in education has been over time. This comparative pattern strengthens the argument that Nigeria's challenge is not only security pressure, but also a deeper fiscal and political economy bias against long-term human development expenditure

The human security literature emphasises that such conditions are closely linked to conflict dynamics. Low levels of education and limited economic opportunities increase vulnerability to recruitment into armed groups and criminal networks (UNDP, 1994; Stewart, 2008). In Nigeria, the large population of out-of-school children and underemployed youth has been identified as a

critical factor in the persistence of insecurity (UNICEF, 2022).

By crowding out investment in human capital, militarised spending contributes to the reproduction of these structural vulnerabilities. As a result, security challenges are not resolved but instead regenerated over time, reinforcing the cycle identified in Section 6.

Erosion of State Legitimacy and Public Trust

The persistence of insecurity despite rising military expenditure also has important implications for state legitimacy. When governments allocate substantial resources to defence without delivering improved

security outcomes, public confidence in state institutions may decline.

The literature on governance and state capacity highlights the importance of an effective service delivery in sustaining political legitimacy (Acemoglu & Robinson, 2012). In contexts where citizens perceive that public resources are misallocated or inefficiently used, trust in government institutions tends to erode. This dynamic is particularly relevant in Nigeria, where concerns about corruption, lack of transparency, and ineffective security responses are widespread (Transparency International, 2021). Erosion of trust can, in turn, weaken state capacity by reducing citizen cooperation, undermining tax compliance, and increasing the likelihood of social unrest. Thus, the inefficiencies associated with militarised spending have broader political consequences beyond immediate security outcomes.

Long-Term Development Costs and Missed Opportunities

A further implication of militarised public spending is the opportunity cost associated with foregone investment in productive sectors. Public expenditure on education and health is widely recognised as a key driver of long-term economic growth and development (Barro, 1991; World Bank, 2022). In Nigeria, the persistent underfunding of education limits human capital formation, reduces labour productivity, and constrains economic diversification. Similarly, inadequate health investment affects workforce quality and increases vulnerability to shocks. These factors collectively undermine the country's long-term development trajectory. The crowding-out effect identified in Section 6 implies that increased defence spending comes at the expense of these high-return investments. Over time, this trade-off can lead to slower economic growth, deeper inequality, and reduced resilience to both economic and security shocks.

Security–Development Disconnect and Policy Ineffectiveness

The findings of this study highlight a broader disconnect between security policy and development strategy in Nigeria. While military expenditure is intended to address immediate threats, it is not integrated into a comprehensive framework that addresses the root causes of insecurity. The development literature increasingly emphasises the need for integrated approaches that combine security interventions with socio-economic policies (World Bank, 2011). Without such integration, policy responses risk addressing symptoms rather than underlying drivers.

In Nigeria's case, the absence of coordination between defence spending and human development investment reduces the overall effectiveness of public policy. This fragmentation reinforces the cycle of reactive militarisation and limits the potential for sustainable peace and development.

Synthesising the Developmental Consequences of Militarised Fiscal Priorities

Taken together, these implications underscore a central conclusion: militarised public spending, when pursued in isolation from human development priorities, is not only insufficient for addressing insecurity but may actively undermine long-term stability. By reinforcing human development deficits, eroding state legitimacy, and diverting resources from high-impact investments, the current fiscal structure contributes to a cycle in which insecurity and underdevelopment mutually reinforce each other. Breaking this cycle requires a fundamental rethinking of the relationship between security and development in Nigeria. This sets the stage for the policy recommendations outlined in the next section.

8. Policy Implications and Reform Pathways

The analysis presented in this paper highlights the limitations of a security strategy anchored primarily in militarised public spending. Addressing Nigeria's persistent insecurity requires a shift toward a more balanced and integrated approach that aligns security objectives with human development priorities. This

section outlines key policy reforms aimed at breaking the cycle of reactive militarisation and underdevelopment.

i. Reframing Security: From State-Centric to Human-Centred Approaches

A fundamental starting point is the reconceptualisation of security. Traditional approaches in Nigeria have focused on state-centric measures, emphasising military capacity and territorial control. However, the persistence of insecurity despite increased defence spending underscores the limitations of this approach. Adopting a human security framework that focuses on economic opportunities, education, health, and social protection can provide a more sustainable basis for stability (UNDP, 1994; Sen, 1999). This shift requires integrating security policy with broader development strategies, ensuring that investments in human capital are recognised as central components of national security.

ii. Fiscal Rebalancing toward Human Development

A key policy priority is the reallocation of public expenditure toward sectors with high developmental returns, particularly education and health. Evidence shows that investment in human capital is a critical driver of long-term growth, poverty reduction, and social stability (Barro, 1991; World Bank, 2022). In practical terms, this involves three important strategies: increasing education spending toward internationally recommended benchmarks; expanding access to quality basic education, particularly in conflict-affected regions; and strengthening health systems to improve resilience and productivity. Such fiscal rebalancing does not imply abandoning security spending, but rather ensuring that it is complemented by investments that address the root causes of insecurity.

iii. Strengthening Governance and Accountability in Defence Spending

Improving the effectiveness of military expenditure requires stronger governance and oversight mechanisms. The defence sector's high levels of opacity increase the risk of inefficiency and corruption,

reducing the impact of spending on security outcomes. Policy reforms should focus on enhancing transparency in defence budgeting and procurement, strengthening legislative oversight of security expenditures, and reducing reliance on off-budget mechanisms such as security votes

International evidence suggests that improved governance can significantly enhance the efficiency of public spending and reduce resource leakage (Transparency International, 2021).

iv. Investing in Preventive and Development-Oriented Security Strategies

Breaking the cycle of reactive militarisation requires a shift toward preventive approaches that address the socio-economic drivers of conflict. This includes targeted investments in youth employment programmes, skills development and vocational training, infrastructure and service delivery in marginalised regions. Research shows that preventive investments in human development are more cost-effective in the long term than repeated military interventions (World Bank, 2011). In Nigeria, such strategies are particularly important in regions with high levels of poverty and limited state presence.

v. Institutional Coordination and Integrated Policy Frameworks

Another critical reform area is improving coordination between security and development institutions. Currently, policy responses in Nigeria are often fragmented, with limited integration between defence planning and socio-economic programmes. Establishing integrated frameworks that align military, economic, and social policies can enhance overall effectiveness. This may involve coordinated planning across ministries, linking security interventions with development programmes, and strengthening data systems for evidence-based policymaking. Such coordination is essential for addressing the multidimensional nature of insecurity.

vi. Managing External Partnerships and Reducing Import Dependence

Nigeria's reliance on foreign military equipment limits the domestic economic benefits of defence spending. To enhance the developmental impact of security

expenditure, policies should aim to promote local defence production where feasible, strengthen domestic industrial capacity, and ensure that international security partnerships align with national development priorities. While external support remains important, it should be structured in ways that support long-term institutional and economic development rather than reinforcing short-term militarised responses (Abrahamsen & Williams, 2011).

vii. Toward a Balanced Security–Development Strategy

Taking together, these policy recommendations point toward the need for a more balanced approach to public spending, an approach that recognises the interdependence of security and development. Rather than viewing military expenditure and human development as competing priorities, policymakers must adopt an integrated framework in which both are mutually reinforcing. Such a shift requires not only technical reforms but also political will to reorient fiscal priorities and address entrenched interests. Without these changes, the cycle of reactive militarisation and persistent insecurity is likely to continue. The final section concludes by summarising the paper’s key arguments and contributions.

9. Conclusion and Recommendations

This paper has examined the political economy of militarised public spending in Nigeria, highlighting the limitations of a security strategy that prioritises defence expenditure without corresponding investment in human development. Drawing on data from the Stockholm International Peace Research Institute and the World Bank, the analysis identified a pattern of rising but volatile military expenditure alongside persistent underinvestment in critical sectors such as education and health.

The study advanced the argument that this fiscal configuration reflects not merely a response to insecurity, but a structurally embedded political economy dynamic characterised by reactive militarisation, fiscal trade-offs, institutional weaknesses, and elite-driven incentives. By integrating

insights from Military Keynesianism, Critical Financial Studies, and postcolonial political economy, the paper demonstrated how militarised spending can become self-reinforcing, even in the absence of effective security outcomes.

A central finding of the analysis is the existence of a self-perpetuating cycle in which insecurity drives increased military expenditure, while insufficient investment in human development sustains the underlying conditions of conflict. This dynamic is further compounded by governance challenges, including limited transparency and accountability in defence spending, which reduce the efficiency and effectiveness of resource allocation (Transparency International, 2021).

The implications of this cycle are significant. Beyond failing to deliver sustainable security, militarised public spending contributes to the erosion of state legitimacy, constrains long-term economic development, and undermines the capacity of the state to address the root causes of instability. As the human security literature emphasises, durable peace is more likely to emerge from investments in human capital and inclusive development than from coercive capacity alone (UNDP, 1994; Sen, 1999).

Breaking this cycle requires a fundamental reorientation of fiscal and policy priorities. Rather than treating security and development as separate domains, policymakers must adopt an integrated approach that recognises their interdependence. This involves rebalancing public expenditure toward education, health, and employment, strengthening governance and accountability in defence spending, and investing in preventive strategies that address the socio-economic drivers of insecurity.

In conclusion, the Nigerian case illustrates a broader challenge faced by many developing and conflict-affected states: the tendency for militarised responses to dominate policy frameworks, even when they fail to produce sustainable outcomes. By highlighting the

political economy mechanisms underlying this pattern, this paper contributes to ongoing debates on security and development and underscores the need for more holistic and development-oriented approaches to addressing insecurity.

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