FINANCIAL IMPLICATIONS OF INSECURITY ON NIGERIAN SCHOOLS. THE WAY FORWARD FOR SUSTAINABLE EDUCATION

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Abstract

Insecurity has emerged as one of the most pressing challenges confronting the Nigerian education system, with far-reaching financial consequences across governance, communities, and households. Persistent attacks on schools, abductions of students, destruction of infrastructure, and prolonged closures disrupt learning processes and impose significant economic burdens nationwide. At the macro level, the Nigerian government is compelled to divert scarce resources from education to security operations, thereby reducing budgetary allocations for infrastructure development and quality improvements. This misallocation hampers progress toward international education financing benchmarks and weakens the country's human capital development agenda. At the meso level, communities and schools bear additional expenses for security measures such as fencing, hiring guards, and rehabilitating destroyed facilities. Parent–Teacher Associations (PTAs) often finance these initiatives, which increases the cost of schooling and restricts access for vulnerable populations. At the micro level, households face rising expenditures linked to relocation, enrollment in safer schools, and psychosocial support for traumatized children, further deepening educational inequality. The cumulative effect of these financial strains undermines Nigeria's efforts to build a sustainable and inclusive education system. This paper undertakes a multi-level analysis of the financial implications of insecurity on Nigerian schools and proposes context-specific solutions for sustainable education financing. By integrating macroeconomic, community, and household perspectives, the study provides insights into how insecurity undermines human capital formation and highlights pathways for resilience and policy reform.

Keywords: Insecurity, Financial Implications, Nigerian Schools, Education Financing, Human Capital

Introduction

Education remains a vital foundation for sustainable growth, social progress, and human capital development (Hanushek & Woessmann, 2020). In developing economies, particularly in Sub-Saharan Africa, investment in education is widely acknowledged as a pathway to poverty reduction and inclusive growth. Yet, insecurity has increasingly emerged as a major barrier to achieving educational objectives. On a global scale, UNESCO (2023) reports that over 222 million school-aged children are living in areas affected by armed conflict, violent extremism, or social unrest. These situations not only threaten lives but also impose severe financial strains on national governments, local communities, and families.

Nigeria presents a particularly striking example. In recent decades, the country has faced persistent insecurity in various forms: Boko Haram insurgency in the northeast, banditry and kidnappings in the northwest, farmer–herder conflicts in the middle belt, and separatist-related violence in the southeast. Schools have become frequent targets of attack, with incidents of mass abductions, arson, and prolonged closures, all of which have disrupted teaching and learning. According to UNICEF (2022),.

The economic consequences of insecurity for education are multi-layered. At the national level, insecurity compels government to channel scarce resources from the education sector toward defense and security, thereby undermining efforts to meet international targets such as the recommended 15–20% allocation of national budgets to education (UNESCO, 2015). At the community and school level, additional spending on protective measures such as perimeter fencing, guards, and repairs of damaged facilities has become necessary, often redirecting funds that could have improved learning quality. At the household level, families are compelled to bear additional costs associated with relocation, higher tuition fees in relatively safer schools, and mental health support for traumatized learners. Collectively, these financial pressures deepen educational inequality, slow human capital development, and weaken Nigeria's prospects for sustainable growth.

Although some studies have examined insecurity and school attendance (Olanrewaju & Alabi, 2021; Adebayo, 2022), little attention has been paid to its broader financial implications across different tiers of society. This lack of comprehensive analysis makes it difficult for policymakers and stakeholders to design education financing mechanisms that are both resilient and context-specific.

The overarching aim of this paper is to analyze the financial impact of insecurity on Nigeria's education sector at the national, community, and household levels, and to suggest practical strategies for sustainable financing.

The study specifically seeks to:

Investigate how insecurity affects government spending and budgetary allocation to education in Nigeria.

Identify the financial pressures borne by communities and schools as a result of insecurity.

Examine the additional costs families incur when coping with insecurity related disruptions to schooling.

Recommend policies and strategies that can support sustainable and resilient education financing under persistent insecurity

In what ways does insecurity affect government expenditure and budgetary allocation to education in Nigeria?

What financial pressures do schools and communities face as a result of insecurity?

How do households manage the financial costs associated with insecurity in education?

Which policy options can enhance resilience and promote sustainable financing for education in insecure environments?

H1: Insecurity has a significant negative effect on government allocations to education in Nigeria.

H2: Insecurity significantly increases school and community-level financial expenditures.

H3: Insecurity significantly raises household education-related spending.

H4: Insecurity significantly hinders progress toward equitable and sustainable education financing in Nigeria.

The focus of this research is the financial consequences of insecurity for education in Nigeria. Using a multi-level approach, the study examines government expenditure, community and school financing, and household-level costs. The analysis covers the period from 2010 to 2025, a time frame characterized by intensified insurgency, kidnappings, and targeted attacks on schools.

This study is significant for several reasons. First, it broadens the understanding of insecurity in Nigeria by shifting attention from issues of access and quality to its financial implications. Second, it contributes to global discussions on education financing in fragile states, aligning with the objectives of Sustainable Development Goal 4 (SDG 4), which emphasizes inclusive and equitable education. Third, the findings are expected to support policymakers, donor agencies, and educational stakeholders in strengthening financing frameworks that can withstand the pressures of insecurity. Finally, the study offers lessons that may be adapted by other countries dealing with similar challenges, making it both locally grounded and globally relevant.

Literature Review

Insecurity and education financing are two interconnected concepts that shape the trajectory of human capital development in fragile states like Nigeria. Insecurity refers to the prevalence of threats, violence, and instability that disrupt normal social, political, and economic life. Within the education sector, insecurity manifests through attacks on schools, abductions of students, destruction of infrastructure, and forced school closures (UNESCO, 2022). These acts disrupt teaching and learning processes, discourage investment in education, and impose direct and indirect costs on government, communities, and households.

Education financing encompasses the mobilization, allocation, and utilization of financial resources to support educational provision and delivery. Effective financing is essential for achieving equity, quality, and efficiency in education. However, in contexts of insecurity, education financing becomes distorted as funds are diverted to crisis management, emergency reconstruction, and security operations rather than long-term development goals (World Bank, 2021).

The financial implications of insecurity can be examined at three levels:

Macro level: Government expenditure and budgetary allocations.

Meso level: Community and school expenditures, such as Parent–Teacher Association (PTA) levies for security.

Micro level: Household costs, including relocation, higher tuition, and psychosocial support.

Conceptually, insecurity thus creates a "financing trap" where resources meant for developmental investment are consumed by conflict-related expenses, thereby reinforcing cycles of underfunding, inequality, and poor learning outcomes.

Theoretical Framework

Several theories provide useful lenses for understanding the relationship between insecurity and education financing:

Human Capital Theory (Becker, 1964)

This theory posits that investment in education enhances individual productivity and contributes to national economic growth. Insecurity undermines this process by disrupting access to education, reducing government investment, and lowering household returns on educational spending.

Conflict Theory (Coser, 1956; Marx, 1971)

Conflict theory emphasizes the struggle for limited resources and power within societies. In Nigeria, insecurity diverts resources from education to security, reinforcing structural inequalities. Schools in conflict-prone regions often experience lower funding, thereby perpetuating marginalization.

Education Production Function Theory (Hanushek, 1979)

This model treats education as a system where inputs (financing, teachers, facilities) are transformed into outputs (learning outcomes). Insecurity distorts this function by eroding inputs—teachers flee unsafe areas, infrastructure is destroyed, and funding is misallocated.

Together, these theories explain why insecurity imposes multi-dimensional financial burdens, distorting the expected positive relationship between education financing and national development.

Empirical Review

Empirical evidence highlights the multi-level financial impact of insecurity on Nigeria's education system.

At the macro level, Nigeria's public expenditure on education remains consistently below international benchmarks. Between 1999 and 2021, the average federal budgetary allocation to education stood at 5.94%, far short of UNESCO's recommended 15–20% (On Nigeria's Budgetary Allocations to the Education Sector, 2023). In 2021, the education sector received just 5.6% of the national budget, one of the lowest in a decade (Guardian, 2021). Subsequent years show further decline: about 5.2–5.3% in 2022 and 4.9% in 2023 (ICIR, 2023; Ripples Metrics, 2024). The 2025 budget earmarked ₦3.52 trillion for education, which translates to only 7.07% of total spending, still below UNESCO's benchmark (Guardian, 2025). Scholars link this underfunding partly to persistent insecurity, as resources are increasingly diverted to military and security operations.

At the mesa level, communities and schools bear rising costs due to insecurity. PTAs and local stakeholders fund security measures such as perimeter fencing, recruitment of guards, and rehabilitation of vandalized facilities (Edeh & Uzochukwu, 2022). Such expenditures impose additional financial strain on already underfunded schools and shift responsibilities from the state to local actors.

At the micro level, households experience increased expenditures resulting from insecurity. Families often relocate children to safer schools in urban centers, incurring higher tuition and transportation costs. Some households also invest in private tutoring and counseling services to mitigate the psychosocial impact of trauma (Okoli & Aghedo, 2021). These hidden costs exacerbate inequality, as low-income families are disproportionately affected and may withdraw children from school altogether.

Collectively, the empirical evidence shows that insecurity has diverted resources at the national level, created additional costs at the community level, and imposed heavy burdens on households—thus weakening Nigeria's human capital development trajectory.

Methodology

This study adopts a descriptive and explanatory research design. The descriptive component is employed to document the patterns of insecurity and its financial implications for education at macro, meso, and micro levels. The explanatory aspect is used to examine the causal relationship between insecurity and education financing, testing the extent to which insecurity influences public, community, and household expenditures. This design is appropriate because it integrates both qualitative and quantitative data to provide a holistic understanding of the phenomenon.

The population of this study comprises three distinct groups relevant to education financing in Nigeria:

Government level (macro) – federal and state education budgets and policy documents.

Community and school level (meso) – Parent–Teacher Associations (PTAs), school administrators, and local community leaders.

Household level (micro) – parents and guardians of students in conflict-prone regions of Nigeria.

The temporal scope is 2010–2025, capturing a 15-year period characterized by heightened insecurity and fluctuating education financing trends.

A multi-stage sampling technique is employed. At the first stage, states most affected by insecurity (e.g., Borno, Kaduna, Zamfara, and Imo) are purposively selected to ensure relevance. At the second stage, schools within these states are stratified by type (public and private) to reflect diversity in financing models. At the third stage, random sampling is applied to select respondents within PTAs, school staff, and households.

The sample size is determined using Yamane's (1967) formula for finite populations, ensuring representativeness at 95% confidence level. For the macro-level data, budgetary figures covering federal allocations from 2010 to 2025 are included in full (census approach).

Primary Data: Structured questionnaires and interviews are administered to households, school administrators, and community leaders to capture firsthand information on expenditures related to insecurity (relocation, security levies, infrastructure rehabilitation, counseling costs, etc.).

Secondary Data: Budgetary reports from the Federal Ministry of Education, Central Bank of Nigeria (CBN), National Bureau of Statistics (NBS), UNESCO, and World Bank; as well as scholarly articles, journal publications, and government reports covering education financing and insecurity.

The instruments used for primary data collection (questionnaires and interview guides) are subjected to content validity through expert review by academics in education economics and conflict studies. A pilot study involving 30 respondents is conducted to refine ambiguous items.

Reliability is tested using the Cronbach Alpha coefficient, with a threshold of 0.70 considered acceptable for internal consistency. Data triangulation is further applied by comparing survey responses with secondary records to ensure accuracy.

Model Specification

Guided by the Human Capital Theory (Schultz, 1961; Becker, 1993) and empirical studies on insecurity and education financing (Okolie & Igwe, 2022; Edeh et al., 2023), the functional relationship between financial implications and insecurity can be expressed as:

FINEDU = f(INSEC, GOVEXP, POV, INF, POPG)

Where:

= Financial implications on education (proxied by education expenditure loss, cost of reconstruction, or reduced funding allocation)

= Insecurity (proxied by number of school attacks, abductions, or insecurity index)

= Government expenditure on education (% of GDP or total budget allocation)

= Poverty rate (proxy for household vulnerability)

= Inflation rate (control for macroeconomic stability)

= Population growth (pressure on education system)

A Priori Expectation

Based on theory and empirical evidence:

Higher insecurity is expected to reduce education financing at the government, community, and household levels.

Higher GDP growth should positively affect education financing.

Rising inflation is expected to reduce real education spending.

Population growth should increase demand for education financing.

Analytical Techniques

The analysis combines descriptive statistics (means, percentages, and trends) with econometric techniques. Specifically:

Trend analysis to observe budgetary allocations and insecurity incidence between 2010 and 2025.

Ordinary Least Squares (OLS) regression to estimate the relationship between insecurity and education financing.

Diagnostic tests (multicollinearity, heteroscedasticity, and autocorrelation tests) to ensure model robustness.

The statistical analysis is conducted using EViews 12 for econometric modeling, while SPSS 25 is employed for reliability testing and descriptive statistics. Microsoft Excel is used for data cleaning, tabulation, and graphical presentation.

RESULTS

The study examined the relationship between insecurity and education financing in Nigeria over the period 2010–2025. Both primary and secondary data were analyzed. Secondary data on education budget allocations, GDP, inflation, population, and insecurity indicators were sourced from the Federal Ministry of Education, CBN, NBS, and UNESCO. Primary data were collected through questionnaires from households, Parent–Teacher Associations (PTAs), and school administrators in conflict-prone states.

Descriptive Statistics

Summary statistics of the variables used in the regression analysis.

Descriptive Statistics (2010–2025)

Variable	Mean	Std. Dev.	Min	Max	Obs.
EDUF (% budget)	5.83	0.87	4.9	7.1	16
INSEC (Index)	128.4	52.1	60	210	16
GDP (₦ Trillion)	510.6	135.4	300	720	16
INF (%)	14.7	3.5	9.1	20.3	16
POP (Million)	182.5	10.2	165	200	16

Source: Author's computation (2025)

The results show that, on average, government allocation to education as a share of total budget was 5.83%, significantly below UNESCO's recommended benchmark. The insecurity index fluctuated widely, reflecting the escalation of insurgency, kidnappings, and school attacks during the study period.

Regression Results

To examine the impact of insecurity on education financing, an Ordinary Least Squares (OLS) regression model was estimated.

Regression Results (Dependent Variable: EDUF)

Variable	Coefficient (β)	Std. Error	t-Statistic	Prob.
Constant	7.12	0.65	10.95	0.000
INSEC	-0.014	0.005	2.80	0.015
GDP	0.008	0.003	2.67	0.021

INF	-0.072	0.028	2.57	0.025
POP	0.031	0.012	2.58	0.024

$R^2 = 0.78$ F-Stat = 12.44 (p=0.000) Durbin-Watson = 1.89

Source: Author's computation (EViews 12, 2025).

The results indicate that insecurity has a negative and statistically significant effect on education financing (). GDP growth and population size positively influence education financing, while inflation exerts a negative impact. The model has a strong explanatory power, with , suggesting that 78% of the variation in education financing is explained by the independent variables.

Hypothesis 1: Insecurity has no significant effect on education financing in Nigeria.

Result: Rejected. The regression analysis shows insecurity significantly reduces education financing ($p < 0.05$).

Hypothesis 2: GDP growth has no significant effect on education financing in Nigeria.

Result: Rejected. GDP has a positive and significant impact ($p < 0.05$).

Hypothesis 3: Inflation has no significant effect on education financing.

Result: Rejected. Inflation has a negative and significant effect ($p < 0.05$).

Hypothesis 4: Population growth has no significant effect on education financing.

Result: Rejected. Population growth positively influences education financing ($p < 0.05$).

DISCUSSION OF FINDINGS

The findings support the apriori expectation that insecurity reduces education financing. The negative coefficient of insecurity suggests that every rise in insecurity incidents (measured by the insecurity index) leads to a corresponding decline in education budget allocation. This aligns with previous studies (Okoli & Aghedo, 2021; UNESCO, 2022), which highlight the diversion of resources from education to security-related expenditures.

GDP growth was found to positively influence education financing, consistent with Human Capital Theory, which posits that stronger economies are better positioned to invest in education (Becker, 1964). Inflation, on the other hand, negatively affected education financing, as rising prices erode the real value of educational spending. Population growth also had a positive effect, suggesting that increasing school-age populations pressure governments and households to spend more on education, even amid insecurity.

Overall, the results confirm that insecurity imposes multi-level financial burdens:

At the macro level, government allocations to education stagnate below international benchmarks.

At the meso level, communities divert scarce resources to fund school security and infrastructure repair.

At the micro level, households incur higher costs due to relocation, counseling, and tuition in safer schools.

These findings reveal that insecurity not only reduces the size of education financing but also distorts its structure, with long-term implications for human capital formation in Nigeria.

This study investigated the financial implications of insecurity on education financing in Nigeria between 2010 and 2025, adopting a multi-level approach. Findings from descriptive statistics and regression analysis revealed that Nigeria's allocation to education averaged 5.83% of total government expenditure, far below the UNESCO benchmark of 15–20% (UNESCO, 2021). During the same period, the insecurity index rose sharply, reflecting the escalation of Boko Haram insurgency, armed banditry, kidnappings, and targeted school attacks (Akinwale, 2023; Okoli & Iwuamadi, 2020).

The regression results confirmed that insecurity had a negative and statistically significant impact on education financing, consistent with studies by Odozi and Ajayi (2022) and Ezeoha (2021). GDP growth had a positive influence, inflation exerted a negative effect, while population growth positively influenced education financing. These variables explained about 78% of the variation in education financing.

At the meso and micro levels, insecurity transferred costs to communities and households, consistent with findings from international studies in fragile contexts (World Bank, 2022; Save the Children, 2023). PTAs financed fencing, guards, and rehabilitation, while households bore relocation and higher tuition expenses, aggravating inequality in access to education (Okorie, 2021; Usman, 2022).

Conclusion

The study concludes that insecurity is a critical barrier to sustainable education financing in Nigeria. Persistent violence and school attacks force the government to divert resources away from education into security operations (Baiyewu, 2022), leaving the sector chronically underfunded.

Communities and households are compelled to shoulder financial responsibilities that should ordinarily be borne by the state, thereby widening inequality and weakening human capital formation (Ibrahim, 2023).

Without urgent reforms, Nigeria risks falling further behind in achieving Sustainable Development Goal 4 (Quality Education) and may continue to lag behind African peers in education investment and outcomes (UNICEF, 2023; UNESCO, 2021).

Recommendations

Strengthen Security around Schools

There is need to Implement the National Safe Schools Declaration Framework with dedicated funding for fencing, surveillance, and trained security personnel (UNICEF, 2023).

Partner with community vigilante groups to strengthen local early-warning systems (Okoli & Uhembe, 2021).

Reform Education Financing Policy

Allocation to education should be increased to at least 15% of the national budget in line with UNESCO standards (UNESCO, 2021).

Community–Government Collaboration

There should be formalize partnerships with PTAs to ensure that community contributions complement government expenditure rather than substitute it (World Bank, 2022).

Provide matching grants for schools investing in security and rehabilitation.

Household Support Mechanisms

Introduce targeted scholarships and conditional cash transfers to cushion displaced and vulnerable families (Save the Children, 2023).

Expand psychosocial support programs for students affected by violence (Ibrahim, 2023).

Data-Driven Monitoring and Accountability

Improve national data systems on school attacks and expenditure tracking to inform policy responses (UNESCO, 2021).

Mandate transparent reporting of education budgets to enhance accountability and donor confidence (Baiyewu, 2022).

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