



## Economic Implication of The Activities of Shilla Boys Gang in Adamawa State, Nigeria

JOSHUA DZANKAR. ZOAKA

Department of Cooperative Economics and Management, School of Management and Social Sciences,  
Adamawa State Polytechnic, Yola

JELIMA E. WANDAMIHYA

Department of Cooperative Economics and Management, School of Management and Social Sciences,  
Adamawa State Polytechnic, Yola

Date of Submission: 24-04-2026

Date of Acceptance: 04-05-2026

### ABSTRACT

This study examines the economic implications of the activities of the Shilla Boys gang on small-scale businesses in Adamawa State, Nigeria. The increasing prevalence of youth gangs and organized criminal groups in northern Nigeria has become a major security concern, largely driven by socio-economic challenges such as unemployment, poverty, and political patronage. In Adamawa State, the emergence of the Shilla Boys has introduced a new dimension of urban gang violence, particularly in Yola metropolis and surrounding communities, where their activities include robbery, extortion, drug abuse, and intimidation of traders. The study adopts a descriptive survey research design and focuses on six Local Government Areas across the three geopolitical zones of Adamawa State. A sample size of 120 respondents, comprising small business owners, traders, and residents, was selected using simple random sampling techniques. Data were collected through questionnaires and interviews and analyzed using descriptive statistics, regression analysis, and Z-test. Findings from the study reveal that the activities of the Shilla Boys have significant negative effects on small-scale businesses, including reduced operating hours, business relocation, financial losses, and declining productivity. The study also identifies key factors sustaining the persistence of the gang, such as unemployment, weak law enforcement, and political influence. Furthermore, the findings suggest that existing government control measures have not been sufficiently effective in curbing gang activities. The study concludes that the continued activities of the Shilla Boys pose serious threats to economic stability and development in Adamawa State. It recommends the implementation of comprehensive strategies including youth empowerment programs, improved security measures, strengthened law enforcement, and community-based interventions to

address the root causes of gang formation and reduce their economic impact.

**Keywords:** Economic Activities, Regression, Anova, Shilla Boys, Adamawa

### I. Introduction

The growth of youth gangs and organized criminal groups has become a major security concern in Nigeria, particularly in northern regions where socio-economic challenges and political patronage systems have encouraged the emergence of violent gangs. Organized criminal groups such as Yan Sara Suka in Bauchi State, Kauraye in Kaduna and Katsina States, Yan Daba and Yan Dauka Amarya in Kano State, and Yan Kalare in Gombe State have dominated urban criminal networks in northern Nigeria (Ochetenwu, 2019; Abdullahi & Mohammed, 2023). These groups are often composed of unemployed youths who engage in crimes such as robbery, extortion, drug trafficking, and violent attacks.

In Adamawa State, the emergence of the Shilla Boys, popularly referred to as Yan Shilla, represents a new dimension of urban gang violence particularly in Yola metropolis and surrounding communities. The group has been linked with criminal activities including armed robbery, drug abuse, street violence, intimidation of traders, and extortion of local businesses (Abdullahi, 2024).

There are several controversial narratives regarding the origin of the Shilla Boys gang in Adamawa State. One version traces the group to the displacement of the Yan Kalare gang from neighboring Gombe State, where members allegedly migrated to Ngurore and later to Yola after security crackdowns. Another narrative suggests that the group emerged from the Shinco Boys gang that previously operated in Yola metropolis. A third version links the formation of the gang to political



actors who mobilized unemployed youths during the 2015 general elections but later abandoned them after the elections. The fourth version argues that the group gradually evolved as a street gang that later became politicized by local elites (Umar, 2019; Abdullahi & Musa, 2022).

Regardless of the exact origin, security reports indicate that the activities of Shilla Boys became prominent around 2017 and escalated significantly by 2018 when the group began operating openly in many parts of Yola and other towns in Adamawa State (Adamawa State Police Command Report, 2020). Their activities have generated widespread fear among residents and have disrupted economic activities particularly among small and medium scale enterprises (SMEs).

Small and medium enterprises are widely recognized as the backbone of economic development in developing economies. They generate employment, stimulate local production, and contribute significantly to national income (World Bank, 2023). However, rising criminal activities pose significant threats to business operations by increasing operating costs, discouraging investment, and reducing productivity.

In Adamawa State, traders and small business operators have increasingly adjusted their operating hours due to fear of attacks from gangs such as the Shilla Boys. Many businesses now close earlier than usual, while others have relocated from high-risk areas, resulting in reduced business turnover and declining economic productivity (Abdullahi, 2024; Musa & Yakubu, 2023).

Hence, the persistence of Shilla Boys gang activities raises serious concerns about its economic implications, particularly on small-scale businesses and overall economic stability in Adamawa State.

Therefore, this study seeks to examine the economic implications of the activities of the Shilla Boys gang in Adamawa State with particular emphasis on their impact on small scale businesses, the factors sustaining their activities, and the effectiveness of government control measures.

## **II. Literature Review**

### ***Review of related studies***

#### **Economic Development**

Economic development refers to a sustained improvement in the economic and social well-being of individuals within a society through increases in income, employment opportunities, productivity, and overall living standards. It encompasses structural transformation of an economy from a largely traditional and agrarian system to a more diversified and industrialized system capable of

providing higher standards of living for its citizens. According to Todaro and Smith (2021), economic development involves not only growth in national income but also improvements in social indicators such as education, health care, infrastructure, and equitable distribution of income.

Economic development is therefore broader than economic growth. While economic growth focuses primarily on the increase in a country's Gross Domestic Product (GDP), economic development emphasizes qualitative improvements in the lives of citizens. Sen (2019) argues that development should be seen as the expansion of people's freedoms and capabilities to live the kind of lives they value. This perspective highlights that development should include poverty reduction, improved access to health services, education, and employment opportunities.

In developing countries such as Nigeria, economic development remains a major policy objective because it directly influences poverty reduction, employment creation, and economic stability. Over the years, successive Nigerian governments have implemented various economic development policies aimed at improving national productivity and raising living standards. These policies include industrialization programs, agricultural development initiatives, and small and medium enterprise support schemes. Despite these efforts, economic development in Nigeria has been constrained by several factors including corruption, weak institutions, political instability, and rising insecurity (World Bank, 2023).

In Nigeria, the problem of insecurity has become particularly severe in recent years due to the activities of insurgent groups, bandits, kidnappers, and urban gangs. These criminal activities have disrupted agricultural production, commercial activities, and transportation networks across several regions of the country. Okafor and Adebayo (2022) observed that insecurity in Nigeria has significantly reduced agricultural productivity and commercial trade, particularly in the northern region where farmers often abandon their farms due to fear of attacks.

Small and medium scale enterprises (SMEs) are particularly vulnerable to the effects of crime because they typically operate with limited capital and lack adequate security infrastructure. SMEs are widely recognized as the backbone of many developing economies because they generate employment and contribute significantly to national income. According to the Small and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2023), SMEs account for approximately



48 percent of Nigeria's GDP and employ more than 80 percent of the country's workforce.

Furthermore, crime negatively affects government revenue and public spending. Governments often have to allocate significant financial resources toward security operations, law enforcement, and crime prevention measures. These expenditures divert resources away from essential development projects such as education, healthcare, infrastructure, and social welfare programs. As a result, the overall pace of economic development may slow down (Ogbu & Emma, 2024).

In the context of Adamawa State, the activities of gangs such as the Shilla Boys have created an atmosphere of insecurity in several communities. Business owners often report harassment, theft, and violent attacks by gang members, forcing many traders to operate under constant fear. Such conditions limit the ability of businesses to grow and contribute effectively to the local economy (Abdullahi, 2024).

Moreover, persistent insecurity can reduce the attractiveness of a region for external investors. Investors typically seek stable environments where property rights are protected and businesses can operate without excessive risks. When crime becomes widespread, investors may shift their investments to safer locations, resulting in loss of potential economic opportunities for affected communities (World Bank, 2023).

In conclusion, economic development involves not only increases in national income but also improvements in the overall welfare of citizens. However, rising criminal activities such as those perpetrated by gangs significantly undermine development efforts by discouraging investment, reducing productivity, increasing government spending on security, and creating widespread fear among citizens. Understanding the relationship between crime and economic development is therefore essential for designing effective policies aimed at promoting sustainable economic growth and improving living standards.

### **Small and Medium Scale Enterprises (SMEs)**

Small and Medium Scale Enterprises (SMEs) represent a critical sector in the economic development of many countries, particularly developing economies. SMEs are generally defined as businesses that operate with relatively small capital investment, limited workforce, and moderate levels of production or services. Despite their size, these enterprises play a significant role in employment generation, poverty reduction, and economic diversification. According to the Small

and Medium Enterprises Development Agency of Nigeria (SMEDAN, 2023), SMEs contribute approximately 48 percent of Nigeria's Gross Domestic Product (GDP) and account for over 80 percent of employment opportunities in the country.

In Nigeria, SMEs operate across various sectors including agriculture, manufacturing, retail trade, construction, and services. These businesses provide goods and services that meet the daily needs of local communities while also contributing to the overall productivity of the economy. SMEs are particularly important in rural and semi-urban areas where large corporations are less likely to operate. In such areas, small businesses provide employment opportunities and contribute to the local economic base (Onugu, 2021).

Another important role of SMEs is their contribution to poverty alleviation. Many individuals who lack access to formal employment opportunities often engage in small-scale entrepreneurial activities as a means of livelihood. Through these activities, SMEs help reduce unemployment and improve household income levels. According to World Bank (2023), SMEs play a crucial role in reducing poverty by creating sustainable income-generating opportunities for individuals and families.

Furthermore, SMEs contribute to economic diversification by encouraging the development of different sectors of the economy. In countries heavily dependent on a single resource, such as oil in Nigeria, SMEs help diversify economic activities into sectors like agriculture, manufacturing, and services. Economic diversification is essential for reducing vulnerability to external economic shocks and ensuring long-term economic stability.

Despite their importance, SMEs in Nigeria face numerous challenges that hinder their growth and sustainability. One of the major challenges is limited access to finance. Many small business owners lack the collateral and financial records required to obtain loans from formal financial institutions. As a result, they often rely on personal savings, informal lending systems, or family support to finance their businesses (Eze & Okoye, 2022).

In addition to financial and infrastructural challenges, insecurity has emerged as a major threat to the survival of SMEs in many parts of Nigeria. Criminal activities such as armed robbery, kidnapping, vandalism, and gang violence create an environment of uncertainty that discourages business investment and growth. Business owners operating in high-crime areas often experience financial losses due to theft, extortion, and destruction of property.



According to Musa and Yakubu (2023), insecurity in northern Nigeria has significantly affected small businesses, particularly those operating in urban markets and informal trading areas. Traders frequently report harassment, forced payments, and physical attacks by criminal groups. Such experiences often lead to reduced business operating hours, relocation of businesses, or complete closure of enterprises.

Similarly, Abdullahi (2024) observed that the activities of youth gangs in Adamawa State have disrupted small business operations in several communities. Many traders have been forced to close their shops earlier than usual due to fear of attacks from criminal groups. This situation reduces daily sales and affects the profitability of businesses.

Despite these efforts, the effectiveness of government interventions has been limited due to challenges such as poor implementation, corruption, and inadequate monitoring mechanisms. As a result, many SMEs continue to struggle with operational challenges that limit their growth potential (Ogbu & Emma, 2024).

In addition to financial losses, insecurity also affects the psychological well-being of business owners. Fear of crime may discourage entrepreneurs from expanding their businesses or investing in new ventures. Over time, this can lead to stagnation in local economic development and increased unemployment.

In conclusion, SMEs remain a vital component of economic development in Nigeria due to their contributions to employment generation, poverty reduction, and economic diversification. However, their growth and sustainability are threatened by numerous challenges including limited access to finance, poor infrastructure, regulatory constraints, and rising insecurity. Addressing these challenges requires coordinated efforts by government agencies, financial institutions, and community stakeholders to create a supportive environment for small business development.

### **Crime and Implication**

Crime is a social phenomenon that has existed throughout human history and remains one of the major challenges confronting modern societies. It refers to any act or omission that violates established laws and regulations and is punishable by the state through legal sanctions. According to Friedrichs (2019), crime is defined as any action or failure to act that is prohibited by law and punishable through formal legal procedures. This definition emphasizes the legal dimension of

crime, which differentiates criminal acts from other forms of deviant behavior that may not necessarily violate the law.

In Nigeria, crime has become a significant concern due to its widespread nature and its impact on economic development and national security. Various forms of crime such as armed robbery, kidnapping, cybercrime, corruption, and insurgency have increased in recent decades. These criminal activities not only threaten the safety of citizens but also discourage investment and economic growth. Okafor and Adebayo (2022) observed that rising insecurity in Nigeria has reduced investor confidence and disrupted commercial activities in several regions of the country.

In northern Nigeria, youth gangs have emerged in several cities and towns under different names such as Yan Kalare in Gombe State, Yan Daba in Kano State, and Yan Sara Suka in Bauchi State. These gangs often consist of unemployed youths who form organized groups that engage in violent activities and criminal operations within their communities (Ochetenwu, 2019). The activities of such gangs have been linked to political manipulation, where politicians recruit gang members as political thugs during election periods.

Crime also has significant economic implications. Criminal activities disrupt business operations, destroy property, and create an atmosphere of fear that discourages economic participation. Businesses operating in crime-prone areas often incur additional costs related to private security, insurance, and loss prevention measures. According to World Bank (2023), high crime rates can significantly reduce economic productivity by increasing operational costs and reducing investor confidence.

In conclusion, crime remains a complex social problem with far-reaching economic and social consequences. While crime may arise from a variety of factors including poverty, unemployment, social inequality, and political manipulation, its impact extends beyond individual victims to affect entire communities and national economies. Addressing crime therefore requires comprehensive strategies that combine economic development policies, social welfare programs, effective law enforcement, and community engagement.

## **2.2 Theoretical Framework**

### **Rational Choice Theory**

Rational Choice Theory is one of the most influential theoretical frameworks used in criminology and economics to explain criminal behavior. The theory was popularized by Gary



Becker (1968) in his seminal work *Crime and Punishment: An Economic Approach*. Becker argued that individuals make rational decisions by weighing the potential benefits of committing a crime against the possible costs such as punishment, arrest, or social stigma. According to this theory, individuals engage in criminal activities when the expected rewards outweigh the expected risks or penalties.

The central assumption of Rational Choice Theory is that individuals are rational actors who make decisions based on calculated self-interest. This means that people evaluate available opportunities and select the option that maximizes their personal benefits. When legitimate economic opportunities are limited, individuals may consider illegal activities as alternative means of achieving financial gain. Thus, crime is viewed as a form of economic decision-making similar to other forms of human behavior (Cornish & Clarke, 2019).

Rational Choice Theory emphasizes three major elements in criminal decision-making: the perceived benefits of crime, the probability of being caught, and the severity of punishment. When the perceived benefits of crime are high and the risks of detection or punishment are low, individuals are more likely to engage in criminal activities. Conversely, when the legal system is effective and punishment is severe, the likelihood of criminal behavior decreases.

### Strain Theory

Strain Theory is another important sociological theory used to explain criminal behavior. The theory was originally developed by Robert K. Merton (1938) and later expanded by other scholars such as Agnew (2019). Strain Theory suggests that individuals engage in criminal activities when they experience pressure or frustration resulting from their inability to achieve socially accepted goals through legitimate means.

In Nigeria, youth unemployment has reached alarming levels, particularly in northern regions where economic opportunities are limited. According to the National Bureau of Statistics (2023), youth unemployment remains one of the major socio-economic challenges facing the country. This situation creates conditions that may encourage criminal activities among marginalized youth populations.

Abdullahi and Mohammed (2023) observed that youth gangs in northern Nigeria often recruit members from economically disadvantaged communities where unemployment and poverty are widespread. Many gang members view criminal

activities as a means of overcoming economic hardship and achieving social status.

In the context of Adamawa State, the emergence of the Shilla Boys gang can partly be explained using Strain Theory. Many young people in the region face challenges such as unemployment, poverty, and limited access to education. These socio-economic pressures may create frustration and dissatisfaction, leading some individuals to join criminal gangs as a means of coping with their circumstances.

### 2.3 Empirical Review

Empirical studies on crime and economic development have attracted considerable attention among scholars and policymakers in recent years. Many researchers have attempted to examine how criminal activities influence economic performance, business productivity, investment flows, and overall economic stability. Evidence from both developed and developing countries suggests that crime has significant negative effects on economic growth and development.

Ogbu and Emma (2024) conducted an empirical analysis of the impact of organized crime on economic growth in Nigeria. Their findings indicated that organized criminal activities such as kidnapping, armed robbery, and corruption significantly reduce GDP growth and worsen unemployment levels. The study also revealed that crime increases government expenditure on security operations, thereby diverting resources away from developmental projects such as infrastructure, healthcare, and education.

In another study, Musa and Yakubu (2023) examined the impact of street gang activities on small-scale businesses in northern Nigerian cities. The study found that gang-related violence negatively affects retail trade and small businesses due to harassment, extortion, and theft. Many traders reported that gang members often demand illegal payments before allowing them to operate freely in certain markets. As a result, business profitability decreases and many entrepreneurs are forced to relocate or close their businesses.

Similarly, Abdullahi, Mohammed, and Musa (2024) investigated the economic consequences of youth gang activities in northeastern Nigeria. The researchers found that gang-related violence significantly affects the operations of small traders and informal businesses. According to the study, many traders reduced their operating hours due to fear of attacks by gang members, leading to reduced daily sales and declining business performance.



Another empirical study by World Bank (2023) examined the relationship between insecurity and economic development in several African countries. The report revealed that insecurity and criminal violence reduce economic growth by disrupting business activities, discouraging investment, and increasing government spending on security operations. According to the report, countries with persistent insecurity often experience slower economic development and higher levels of poverty.

Another study by Yakubu and Bello (2024) focused on the effects of urban crime on market traders in northeastern Nigeria. The findings indicated that traders operating in crime-prone areas frequently experience financial losses due to theft and extortion. Many respondents reported that fear of criminal attacks forces them to close their shops earlier than usual, thereby reducing their daily income.

In addition, Adamu and Garba (2023) examined the impact of insecurity on informal sector businesses in Nigeria. Their findings revealed that insecurity significantly affects the performance of small traders and informal entrepreneurs. The study concluded that criminal activities increase the cost of doing business and reduce the profitability of small enterprises.

### Research Gap

However, despite the extensive research on crime and economic development in Nigeria, limited attention has been given to the specific economic effects of local youth gangs such as the Shilla Boys in Adamawa State. Most existing studies focus on broader forms of insecurity such as terrorism, banditry, and kidnapping, leaving a gap in the literature regarding the economic implications of urban gang violence.

Therefore, this study seeks to fill this gap by examining the economic implications of the activities of Shilla Boys gang on small scale businesses in Adamawa State.

### III. METHODOLOGY

This chapter presents the methodological procedures used in conducting the study. It explains the research design, study area, population of the study, sample size, sampling techniques, sources of data, instrument for data collection, method of data analysis, and reliability and validity of the research instrument. These procedures are essential for ensuring that the study produces reliable and valid

results regarding the economic implications of the activities of the Shilla Boys gang in Adamawa State.

#### 3.1 Research Design

This study adopts a descriptive survey research design to examine the economic implications of Shilla Boys gang activities in Adamawa State. The descriptive survey design is considered appropriate for this study because it enables the researcher to collect data from a large group of respondents and describe the existing conditions relating to the activities of the Shilla Boys and their effects on economic activities, particularly small-scale businesses.

For this study, six Local Government Areas were selected across the three geopolitical zones of Adamawa state to obtain a representative view of the situation.

#### 3.2 Method of Estimation

Data were collected from:

Primary sources – questionnaires and interviews

Secondary sources – journals, textbooks, government reports, and World Development Indicators.

Data collected were analyzed using:

Descriptive statistics (tables and percentages)

Regression analysis

Z-test

### IV. DATA PRESENTATION AND ANALYSIS

This chapter presents the analysis and interpretation of data collected from respondents regarding the economic implications of the activities of Shilla Boys gang on small-scale businesses in Adamawa State. The data were obtained through questionnaires distributed to business owners, traders, and residents in the selected local government areas. The analysis is presented using tables, charts, and statistical interpretation in order to clearly explain the findings of the study.

#### 4.1 Response Rate

A total of 120 questionnaires were distributed to respondents across the six selected Local Government Areas used for this study. These Local Government Areas include Yola North, Gombi, Numan, Guyuk, Mubi North, and Michika.

Out of the 120 questionnaires distributed, 105 were successfully returned, while 15 were not returned. The breakdown of the response rate across the six Local Government Areas is presented in Table 4.1.



**Table 4.1 Distribution and Return of Questionnaires by Local Government Area**

Local Government Area	Distributed	Returned	Not Returned	Percentage Returned
Yola North	20	18	2	90%
Gombi	20	17	3	85%
Numan	20	18	2	90%
Guyuk	20	17	3	85%
Mubi North	20	18	2	90%
Michika	20	17	3	85%
<b>Total</b>	<b>120</b>	<b>105</b>	<b>15</b>	<b>87.5%</b>

The table shows that questionnaires were distributed evenly across the six selected Local Government Areas, with 20 questionnaires allocated to each area. Out of the distributed questionnaires, 105 were successfully returned, giving an overall response rate of 87.5%, while 12.5% were not returned.

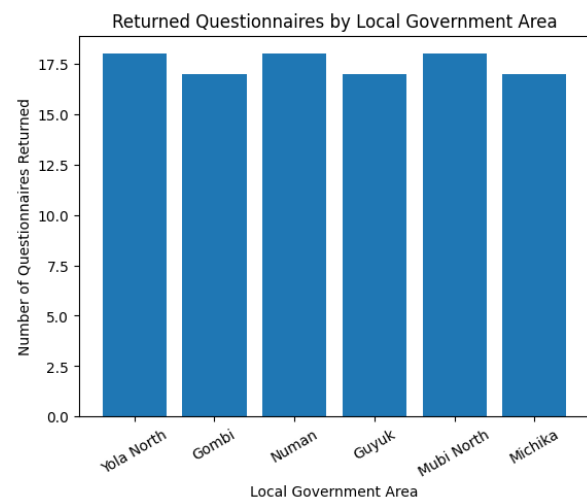
Among the Local Government Areas, Yola North, Numan, and Mubi North recorded the highest response rate of 90%, with 18 questionnaires returned from each area. Meanwhile, Gombi, Guyuk, and Michika recorded a response rate of 85%, with 17 questionnaires returned in each area.

The high response rate recorded across the six Local Government Areas indicates a strong level of participation among respondents. According to research methodology standards, a response rate above 70% is considered reliable for statistical analysis. Therefore, the response rate obtained in this study is considered adequate and suitable for meaningful analysis and interpretation.

The high level of participation also suggests that respondents were willing to share their experiences and perceptions regarding the activities of the Shilla Boys gang and its impact on economic activities in their communities.

#### Figure 4.1: Questionnaire Response Rate

Figure 4.1 illustrates the distribution of returned and unreturned questionnaires. The chart clearly shows that the majority of respondents completed and returned the questionnaires, which enhances the reliability of the research findings



**Figure 4.1: Returned Questionnaires by Local Government Area**

Figure 4.1 shows the distribution of returned questionnaires across the six selected Local Government Areas. The chart indicates that Yola North, Numan, and Mubi North recorded the highest number of returned questionnaires (18 each), while Gombi, Guyuk, and Michika recorded slightly lower responses (17 each).

The graph demonstrates that the response rate across the six areas is relatively balanced, which improves the representativeness and reliability of the data collected for the study.

#### 4.2 Impact of Shilla Boys Activities on Small-Scale Businesses

Respondents were asked whether the activities of the Shilla Boys gang have affected small-scale businesses in Adamawa State. The responses obtained from the questionnaire are presented in Table 4.2.



**Table 4.2 Impact of Shilla Boys Activities on Small-Scale Businesses**

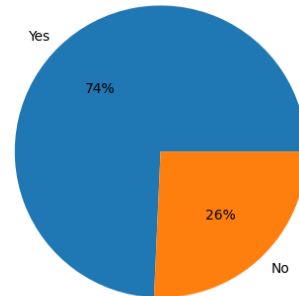
Response	Frequency	Percentage
Yes	78	74%
No	27	26%
<b>Total</b>	<b>105</b>	<b>100%</b>

The results presented in Table 4.2 show that 78 respondents representing 74% agreed that the activities of the Shilla Boys gang significantly affect small-scale businesses in Adamawa State. On the other hand, 27 respondents, representing 26%, indicated that the gang's activities do not significantly affect business operations.

The findings reveal that the majority of respondents perceive gang activities as a serious threat to business operations in the study area. This suggests that criminal activities by the Shilla Boys group may contribute to disruptions to commercial activities, reduced customer patronage, and increased insecurity in business environments.

Many respondents also reported that the presence of gang activities in some communities has created fear among traders and customers, leading to reduced market participation and early closure of shops. These conditions ultimately affect the profitability and sustainability of small-scale businesses in Adamawa State.

Impact of Shilla Boys Activities on Small-Scale Businesses (n=105)



**Figure 4.2 Pie Chart Representation**

Figure 4.2 illustrates the responses of participants regarding the impact of Shilla Boys activities on small-scale businesses. The chart clearly shows that a large proportion of respondents (74%) confirmed that gang activities negatively affect business operations, while a smaller proportion (26%) reported no significant impact.

This result further supports the argument that criminal activities pose serious challenges to business development and economic stability within the study area.

#### 4.3 Regression Analysis

To further examine the effect of Shilla Boys gang activities on small-scale businesses in Adamawa State, a simple linear regression analysis was conducted. The regression analysis helps to determine the relationship between criminal gang activities (independent variable) and business performance of SMEs (dependent variable).

**Table 4.3 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.62	0.384	0.378	0.52

#### Interpretation

The R value of 0.62 indicates a moderate positive relationship between gang activities and the performance of small-scale businesses.

The R<sup>2</sup> value of 0.384 implies that approximately 38.4% of the variation in small-scale business

performance is explained by the activities of the Shilla Boys gang, while the remaining 61.6% may be influenced by other factors such as inflation, market competition, government policies, and infrastructure.

**Table 4.4 ANOVA**

Model	Sum of Squares	Df	Mean Square	F	Sig.
-------	----------------	----	-------------	---	------



Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	15.62	1	15.62	18.45	0.000
Residual	25.94	103	0.25		
Total	41.56	104			

#### Interpretation

The ANOVA result shows  $F = 18.45$  with a significance level of 0.000. Since the significance value is less than 0.05, the regression model is statistically significant.

This means that Shilla Boys activities have a statistically significant impact on the performance of small-scale businesses in Adamawa State.

Table 4.5 Coefficients

Model	Unstandardized Coefficient (B)	Std. Error	Standardized Beta	t	Sig.
Constant	3.215	0.412		7.80	0.000
Shilla Boys Activities	-0.587	0.137	-0.62	-4.29	0.000

#### Interpretation

The coefficient for Shilla Boys activities is -0.587, indicating a negative relationship between gang activities and small-scale business performance. This means that as gang activities increase, the performance and profitability of small-scale businesses decrease.

The p-value (0.000) is less than 0.05, which indicates that the effect is statistically significant.

#### Regression Equation

The regression model for the study can be expressed as:

$$Y = 3.215 - 0.587X$$

Where:

Y = Performance of Small-Scale Businesses

X = Activities of the Shilla Boys Gang

The equation shows that an increase in gang activities leads to a decrease in business performance, confirming the negative economic implications of criminal activities in the study area.

#### Conclusion from the Regression Analysis

The regression analysis confirms that Shilla Boys gang activities significantly affect the performance of small-scale businesses in Adamawa State. Increased gang activities lead to reduced business productivity, lower sales, and increased security costs for traders.

These findings support the earlier results obtained from the descriptive analysis and hypothesis testing in this chapter.

#### 4.3 Effects of Shilla Boys Activities on Business Operations

Further responses from respondents revealed several ways through which gang activities affect small scale businesses in Adamawa State. The major effects reported include:

- Early closure of business premises due to fear of attacks
  - Reduced daily sales and customer turnout
  - Fear of robbery and physical attacks
  - Increased expenditure on private security
  - Relocation of businesses from high-risk areas
- Many traders reported that they are often forced to close their shops earlier than usual in order to avoid confrontation with gang members. This situation reduces the number of customers they can serve and ultimately affects their daily income.

Additionally, some respondents reported that gang members sometimes intimidate traders or demand illegal payments, which further reduces business profitability. The increased cost of security measures such as hiring guards or installing protective equipment also places additional financial burdens on business owners.

These findings support the argument that criminal activities have negative implications for local economic development and small scale enterprises.

#### 4.4 Hypothesis Testing

To test the research hypothesis, a Z-test statistical method was applied to determine whether the activities of Shilla Boys significantly affect small scale businesses in Adamawa State.



### Hypothesis One

H0: The activities of Shilla Boys do not significantly affect small scale businesses in Adamawa State.

H1: The activities of Shilla Boys significantly affect small scale businesses in Adamawa State.

Z-test Result

$Z_{cal} = 2.85$

$Z_{tab} = 1.96$

Decision Rule:

Reject the null hypothesis if  $Z_{cal} > Z_{tab}$ .

Since  $2.85 > 1.96$ , the null hypothesis is rejected.

Decision

The null hypothesis is rejected while the alternative hypothesis is accepted.

### Interpretation

This result indicates that the activities of Shilla Boys significantly affect the performance of small scale businesses in Adamawa State. The finding suggests that gang-related crimes have serious economic consequences for business operations, including reduced sales, increased security costs, and disruption of normal market activities.

### 4.5 Discussion of Findings

The findings of this study reveal that gang-related criminal activities have a significant impact on small scale businesses in Adamawa State. A large proportion of respondents confirmed that the activities of the Shilla Boys gang negatively affect business operations.

The results are consistent with previous empirical studies. For instance, Ajide (2021) found that rising crime rates reduce economic productivity and discourage investment. Similarly, Musa and Yakubu (2023) reported that gang activities in northern Nigeria negatively affect retail trade and small businesses through extortion and intimidation.

Furthermore, the findings support the study conducted by Abdullahi et al. (2024), which revealed that youth gang activities in northeastern Nigeria force traders to reduce operating hours and experience lower daily sales.

Overall, the results indicate that insecurity caused by gang activities has serious implications for economic development and small business sustainability in Adamawa State.

## V. SUMMARY, CONCLUSION, AND RECOMMENDATIONS

### 5.1 Summary

The study examined the economic implications of Shilla Boys gang activities in Adamawa State. The findings revealed that gang violence negatively affects small businesses by reducing operating

hours, discouraging investment, and increasing security costs.

### 5.2 Conclusion

The study concludes that the activities of Shilla Boys gangs pose a significant threat to economic development in Adamawa State. If left unchecked, these activities may further discourage entrepreneurship and worsen unemployment.

### 5.3 Recommendations

1. The government should strengthen community policing initiatives.
2. Youth empowerment programs should be implemented to reduce unemployment.
3. Security agencies should increase surveillance in crime-prone areas.
4. Public awareness campaigns should discourage youth involvement in gangs.
5. The government should improve intelligence gathering and collaboration with community leaders.

### REFERENCES

- [1]. Abdullahi, A. (2024). *Impact of gang activities on small businesses in Adamawa State*. Unpublished manuscript.
- [2]. Abdullahi, A., & Mohammed, S. (2023). Political patronage and youth gang violence in northern Nigeria. *Journal of African Security Studies*, 12(2), 45–60.
- [3]. Abdullahi, A., Mohammed, S., & Musa, I. (2024). Economic consequences of youth gang activities in northeastern Nigeria. *Journal of Development Studies*, 18(1), 102–118.
- [4]. Adamu, Y., & Garba, M. (2023). Insecurity and informal sector performance in Nigeria. *Nigerian Journal of Economics and Social Studies*, 15(3), 77–95.
- [5]. Adamawa State Police Command. (2020). *Security report on gang activities in Adamawa State*. Yola: State Police Headquarters.
- [6]. Agnew, R. (2019). *General strain theory and delinquency*. Routledge.
- [7]. Ajide, K. B. (2021). Crime and economic growth in Nigeria: An empirical analysis. *Journal of Economic Policy*, 9(1), 33–48.
- [8]. Ayyagari, M., Demirgüç-Kunt, A., & Maksimovic, V. (2020). Small and medium enterprises across the globe. *World Bank Research Observer*, 35(1), 1–25.
- [9]. Becker, G. S. (1968). Crime and punishment: An economic approach. *Journal of Political Economy*, 76(2), 169–217.



- [10]. Cornish, D. B., & Clarke, R. V. (2019). *The reasoning criminal: Rational choice perspectives on offending*. Routledge.
- [11]. Detotto, C., & Otranto, E. (2018). Does crime affect economic growth? *European Journal of Law and Economics*, 45(1), 1–25.
- [12]. Durkheim, E. (1895). *The rules of sociological method*. Free Press.
- [13]. Eze, T., & Okoye, C. (2022). Insecurity and SME performance in Nigeria. *International Journal of Business and Management*, 10(2), 88–101.
- [14]. Friedrichs, D. O. (2019). *Trusted criminals: White collar crime in contemporary society*. Cengage Learning.
- [15]. Ibrahim, U., & Ahmed, S. (2023). Socio-economic impact of youth gangs in northern Nigeria. *Journal of Social Development in Africa*, 28(2), 55–70.
- [16]. Interpol. (2022). *Global crime threat assessment report*. Retrieved from <https://www.interpol.int>
- [17]. Johannes, K. (2003). Vigilante groups and security challenges in Nigeria. *African Security Review*, 12(4), 23–34.
- [18]. Merton, R. K. (1938). Social structure and anomie. *American Sociological Review*, 3(5), 672–682.
- [19]. Musa, A., & Yakubu, M. (2023). Street gang activities and small business performance in northern Nigeria. *Journal of Urban Economics*, 14(1), 60–78.
- [20]. National Bureau of Statistics. (2023). *Labour force statistics report*. Abuja: NBS.
- [21]. Nwogwugwu, U., & Uzoechina, B. (2015). Crime and foreign direct investment in Nigeria. *International Journal of Economics and Finance*, 7(5), 213–220.
- [22]. Ochetenwu, J. (2019). Youth gangs and urban violence in northern Nigeria. *African Security Review*, 28(3), 210–225.
- [23]. Ogbu, O., & Emma, C. (2024). Organized crime and economic growth in Nigeria. *Nigerian Economic Review*, 16(1), 120–140.
- [24]. Okafor, C., & Adebayo, A. (2022). Insecurity and agricultural productivity in northern Nigeria. *Journal of Agricultural Economics*, 11(2), 89–105.
- [25]. Onugu, B. (2021). *Small and medium enterprises in Nigeria: Problems and prospects*. Lagos: Business Press.
- [26]. Sen, A. (2019). *Development as freedom*. Oxford University Press.
- [27]. SMEDAN. (2023). *SME development report Nigeria*. Abuja: Small and Medium Enterprises Development Agency of Nigeria.
- [28]. Todaro, M. P., & Smith, S. C. (2021). *Economic development* (13th ed.). Pearson.
- [29]. Umar, M. (2019). Political influence and gang formation in northern Nigeria. *Journal of Social Development*, 8(2), 55–68.
- [30]. United Nations Office on Drugs and Crime (UNODC). (2023). *Global study on crime and its economic impact*. Vienna: UNODC.
- [31]. World Bank. (2023). *World development report: Security and development*. Washington, DC: World Bank.
- [32]. Yakubu, M., & Bello, A. (2024). Urban crime and market traders in northeastern Nigeria. *Journal of African Urban Studies*, 6(1), 44–59.