Estimates show a significant decrease in the number of terrorist attacks in the area.

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*Research Article*

**Title:** Engagement in licit ventures by terrorist organisations and terrorism financing in the Lake Chad region

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**Abstract:** Despite efforts by countries in the Lake Chad region and their partners to suffocate the insurgency in the region, insurgents have continued to execute deadly attacks on civilians and military positions. Extant literature shows that the insurgency is sustained by factors like ideology, poverty, politics, arms proliferation, money laundering, external influence, among others. Not much has been done by scholars to establish the linkage between proceeds from engagement in licit trade by terrorist organisations in the region to the sustenance of the insurgency. Relying on data from secondary sources, this study provides evidence of the linkage.

**Keywords:** Terrorism financing; insurgency; lake chad region; licit proceeds; Boko Haram

**1. Introduction**

Terrorism has emerged as a major threat to security in Africa (Clapham, 2003). The proliferation of terrorist groups and activities across the continent is aggravating the insecurity situation in the continent. In West Africa and the Sahel, terrorist groups are exploiting ethnic and religious fault lines to deepen insecurity by undermining the security architecture of states, exacerbating...
volatility, and escalating humanitarian crises (United Nations, 2020). Countries of the Lake Chad region, like Nigeria, Chad, Niger, Cameroon, are some of the most affected by terrorist activities in Africa. Since the emergence of the insurgency in the Lake Chad Region in 2009, the activities of the insurgents have assumed a deadly dimension and continue to exert a heavy toll on lives and properties in the countries and people of the region. According to Antonio José Canhandula, at least 36,000 thousand people have been killed, most of them civilians, and millions displaced since the insurgency started in 2009 (United Nations News (2019). The victims of these terrorist acts include civilians, aid workers, and security personnel. After sustained pressure from governments of the region and their international partners in 2014–2015 degraded the capability of the insurgency, rise in the number of attacks since 2017, the nature of targets and the toll of casualties indicates a resurgence in their activities (Amnesty International (2017). The insurgents unleashed 90 armed assaults and 59 suicide attacks in 2017 (Wilson, 2018), and were associated with 2,700 reported fatalities in 2018 (Matfess, 2019). Terrorism related deaths in Nigeria increased by 25% in 2018 in comparison to 2017 (Institute for Economics & Peace, 2019, p. 12). Over 50 attacks were executed by the insurgents between late 2019 and mid-2020 (CSW, 2020). In 2019 alone, 275 people were killed in terrorist attacks in Cameroon’s Far North, and about 160,000 people displaced from their homes (United Nations News (2019). Between January and August 2020, at least 200 civilian deaths from attacks across Nigeria, Chad, Cameroon, and Niger have been attributed to the terrorist groups in the region. In one of the deadliest waves of attacks against security forces in the region in recent times, 174 Nigerien soldiers, 100 Chadian soldiers, 50 Nigerian soldiers, and 21 Cameroonian soldiers were killed in separate attacks by insurgents between December 2019 and June 2020 (Africa News, 2020; Aljazeera, 2020; France24, 2020).

Beyond security issues, terrorist activities have worsened socioeconomic conditions in the region. Due to the opportunities presented by the lake, the region was a thriving hub of agriculture, fishery, cross border-trade, livelihood and tourism before the insurgency (Idika-Kalu, 2020). However, much of the economic opportunities have been lost. In the territories controlled by State authorities in the region, movements are restricted. Food production in the region has dwindled and the agricultural value chain has been disarticulated due to reduction in human mobility caused by the insurgency (Kah, 2017; Pugliese, 2014). People do not feel safe in their farms, and markets in the region have been targets of suicide attacks in the past. Food & Agriculture Organization (2017, p. 1) found that 11 million people in the region need assistance, 6.9 million people are severely food insecure, while 515,000 children are suffering from severe acute malnutrition. Insecurity and socioeconomic downturns in the region have unravelled a monumental humanitarian crisis in the region. People from displaced communities pour into relatively safer communities, straining the limited resources. At least 2.5 million people are displaced (the second largest displacement crisis in the world), 75.7% of which are staying with host communities, increasing their vulnerability (Food & Agriculture Organization, 2017, p. 1). Under-five mortality rates in IDP locations are four times the emergency threshold (Food & Agriculture Organization, 2017, p. 1). There has also been a degeneration in health conditions due to hunger, poor hygiene, and the spread of diseases. Human rights abuses in both insurgent-controlled and government-controlled territories are widely reported.

The insurgency in the Lake Chad region has persisted despite all efforts to contain it. After 10 years of counter-terrorism efforts, the region still hosts the second deadliest terrorist group in the world, and Nigeria, one of the Lake Chad region countries, is the third most terrorized country in the world (Institute for Economics & Peace, 2019, p. 15). Scholars have attributed the persistence and sustenance of the insurgency to factors like religious ideology (Oriola & Akinola, 2017; Thurston, 2016), economic marginalization, poverty and unemployment (Meagher, 2014; Onuoha, 2014), politics (Iyekepolo, 2019, 2016), separatism (Ashiru, 2018; Zenn, 2018), arms proliferation (Mangan & Nowak, 2019), external influence of foreign terrorist organizations (International Crisis Group, 2014), failure of strategy (Ugwueze & Onuoha, 2020), money laundering (Eme & Uguwu, 2016; Okoli, 2019), among others. While there has been studies that interrogated the role of financing in the resilience of terrorism in the region, most related studies have
centred on understanding the role of state funding (Byman, 2020; Byman & Kreps, 2010; Carter, 2012; Collins, 2014; K. Dingji Maza et al., 2020a) and laundered illicit funds in the financing of terrorism in the region (Attah, 2019; FATF-GIABA-GABAC, 2016; Jacobson, 2010; Okoli, 2019; Ping, 2008; Rock, 2016). Not much has been done in the literature to examine how terrorist organisations in the region are engaging in and exploiting legitimate trade to fund terrorist activities. Thus, this study focuses on how fund generated from engagement in licit trade by insurgent groups is financing the sustenance of terrorism in the Lake Chad region. The study relied on data from secondary sources like published journal articles, books, book chapters, official publications of international organisations, national and international newspapers, among others. This introductory section is immediately succeeded by conceptual clarification, an overview of insurgency in the region, strategies adopted to combat insurgency in the region, terrorism financing in the region, the role of proceeds from licit trade in financing insurgency in the region, and conclusion.

2. Terrorism conceptualisation
The concept of Terrorism considered by some scholars as a strategy of insurgency (Merari, 1993; Unal, 2016) has been used interchangeably with insurgency (Hentz & Solomon, 2017). In this study, we have also adopted the usage of the two concepts to convey the same meaning. The difference in perspectives and subjective approaches to defining terrorism is implicated in the difficulty in the development of a universally acceptable conceptualization of the phenomenon. Among scholars as with regional and multinational organisations, the difficulty in the conceptualization of the phenomenon emanates from the fact that what is considered “terrorism” to a viewpoint is considered “freedom fighting” to another (Bruce, 2013; Ganor, 2002; Greene, 2017; Hodgson & Tadros, 2013; Laqueur, 1987; Montiel & Shah, 2008). The subjectivity of conceptualizing terrorism has been abused by national governments to suppress dissenting views and minority agitations (Saul, 2008). States ideological blocs have also exploited the issue of terrorism to persecute groups and national governments with ideologically divergent views (Acharya, 2009; Roth, 2004; Zeiden, 2006). The conceptualizations can be classified into the prisms of cultural relativity (Montiel & Shah, 2008; Zeiden, 2006), philosophical forays (Coody, 2004), and legalism (Walter, 2003). The difficulty is further compounded by the United Nations Security Council measures since 2001 that allows States to unilaterally define terrorism to suit their sovereign interests (Saul, 2008).

United Nations General Assembly (UNGA) resolutions on the conceptualization of terrorism only serve as a guide to regional organisations and national governments. UNGA resolution 49/60 considers terrorism as:

acts intended or calculated to provoke a state of terror in the general public, a group of persons or particular persons for political purposes are in any circumstance unjustifiable, whatever the considerations of a political, philosophical, ideological, racial, ethnic, religious or any other nature that may be invoked to justify them (Para. 3).

The European Parliament, on the other hand, conceptualised terrorism to be:

acts committed with the aim of ‘seriously intimidating a population’, ‘unduly compelling a government or international organisation to perform or abstain from performing any act’, or ‘seriously destabilising or destroying the fundamental political, constitutional, economic or social structures of a country or an international organisation’. (European Parliament, 2005, p. 2)

For the League of Arab States, it is:

Any act or threat of violence, whatever its motives or purposes, that occurs in the advancement of an individual or collective criminal agenda and seeking to sow panic among people, causing fear by harming them, or placing their lives, liberty or security in danger, or seeking to cause damage to the environment or to public or private installations or property
or to occupying or seizing them, or seeking to jeopardise a national resources. (League of Arab States, 1999, p. 2)

The African Union defines terrorism as:

Any act which is a violation of criminal laws of a State Party and which may endanger the life, physical integrity or freedom of, or cause serious injury or death to, any person, any number of group of persons or causes, or may cause damage to public or private property, natural resources, environmental or cultural heritage, and is calculated or intended to: intimidate, put in fear, force, coerce or induce any government, body, institution, the general public or any segment thereof, to do or abstain from doing any act, or to adopt or abandon a particular standpoint, or to act according to certain principles; or disrupt any public service, the delivery of any essential service to the public or to create a public emergency; or create general insurrection in a state (African Union, 1999, pp. 3-4).

The Economic Community of West African States (ECOWAS) “generally understood” terrorism within the views of the African Union (ECOWAS, 2019, p. 24). The couching of these definitions leaves them open to different interpretations and abuses. The League of Arab Nations and African Union conceptualization blurs the line between crime and terrorism. Therein lies the concern that they can be easily abused to prosecute all crimes and suppress dissenting views. However, a common denominator in these conceptualizations is that terrorism is an illicit activity that relates to violent acts against a civil population designed to cause damage, instill terror, and to achieve an ideological goal. Terrorist actors within the Lake Chad region have adopted strategies which include, kidnapping, suicide bombing, extra-judicial killings, and rape among others against the civilian population, in their bid to enforce their version of religious ideology in the region and its people.

3. Extremism and insurgency in the Lake Chad Region: a historical overview
The Lake Chad Region consists of the territories of Chad, Niger, Nigeria, and Cameroon, straddling the Lake Chad in the Semi-Arid Sahelian zone of West/Central Africa, South of the Sahara desert. The people of the territories immediately surrounding the lake Chad have had historical relations of trade, migration, religious association, and inter-ethnic socialisation. Thus, even after states creation in Africa, transborder interactions and movement in the region remained fluid. The Islamic religion has played a significant role in shaping political and socioeconomic relations in the region. Some scholars have associated the evolution of extremist ideology in the region with a mixture of poverty, politics, poor education, and extremist religious views.
Inset map showing countries of the Lake Chad Region
Source: D W (2016).

Though the region has had centuries of exposure and interaction with Islam due to relations with North Africa and Middle-East leading to the emergence, from time to time, of scholars who advocated religious revival and spiritual renewal, the reawakening and propagation of fundamentalist Islamic views in the region in the twentieth century has been attributed to the teachings of Mohammed Marwa, the leader of the Islamic fundamentalist Maitatsine uprising of the 1980s (Adesoji, 2011). Mohammed Marwa, originally from Cameroon, was an influential Islamic preacher predominantly active in the Nigerian cities of Kaduna, Kano, Yola, Gombe, Maiduguri, among others, who inculcated in his followers called Yan Tatsine a resentment of all forms of Western influence and attributes (Adamu, 2010; Lubeck, 1985). He cultivated a legacy of confrontational posturing against the State, intolerance of moderate Muslims or preachers that do not share his views, abhorrence of non-Muslims, and violence. The Boko Haram movement of the late 1990s and early 2000s and others that followed were said to have exploited the legacies of the Maitatsine movement to advance their own extremist/Jihadist ideology (Adesoji, 2011; D. Agbiboa, 2013). There have been some active interrelated and independent terrorist organisations in the region since 2009. The major ones include Boko Haram, Ansaru, and Islamic State West Africa Province (ISWAP).

3.1. Boko-Haram
Boko Haram is a terrorist organisation that officially calls itself “Jama’atu Ahlis Sunna Lidda’awati Wal Jihad.” The name is loosely translated to mean the “people committed to propagating the Prophet Mohammed’s teachings and holy war.” However, the group is popularly called Boko Haram by the locals in the Lake Chad region due to their abhorrence and rejection of Western education and all forms of Western influence. Boko Haram is a Hausa statement that loosely means “Western education is forbidden.” Though the group’s activities came to prominence after the death of its leader Mohammed Yusuf in 2009 while in the custody of the government of Nigeria, it is said to have been formed in Maiduguri, north-eastern Nigeria in 2002 by Mohammed Yusuf to advance the propagation of his radical Islamic ideology.

Boko Haram subscribes to the Salafist ideology which advocates the strict enforcement of the Islamic Shari’a law. Since the establishment of the group in 2002, its radicalization process progressed and the members became confrontational, particularly with the security agencies. The armed terror dimension of the group’s activities began after the leader of the group died in government custody in 2009. The group then relied on mass terror tactics like guerrilla warfare, suicide bombing, mass killings, executions, kidnapping, beheading, rape, forced marriages, ambush, robbery, extortion, among others, in the pursuit of its objectives. Some of the major operations undertaken by the terrorist organization include the attack on Bauchi prison to free its members in 2010, the bombing of United Nations headquarters in Abuja in 2011, Chibok schoolgirls kidnapping in 2014, and the massacre at the Baga Multinational Joint Task Force (MJTF) base in 2015, among others. Though the group has gone through some internal upheaval and has been pushed back by the MJTF, it has remained formidable. It still retains the capacity to undertake devastating operations against both military and civilian targets. It is the second deadliest terrorist organization in the world (Global Terrorism Index, 2019, p. 15)

3.2. Ansaru
Ansaru, a terrorist organization active in the Lake Chad Region, also called “al-Qaeda in the Lands Beyond the Sahel” identifies itself as Jamā’atu Ansārīl Muslimīna fi Bilādis Sudān which loosely translates to the “vanguards for the Protection of Muslims in Black Africa” (Adibe, 2014). Ansaru grew from Boko Haram and allied itself with al-Qaeda-linked terror organisations like Al Qaeda in the Islamic Maghreb (AQIM), Al Shabaab, from whom they benefitted in terms of training, expertise and logistics (Adibe, 2014). The ideology and operations of Ansaru were similar to that of Boko
Haram. After a period of decline in its activities, the group claimed responsibility for an attack on the Emir of Potiskum in January 2020 that left about 30 people dead.

3.3. ISWAP
The fallout from the alliance of Boko Haram with Islamic State in Iraq and Syria/Levant (ISIS/ISIL) in 2015 led to the formation of the “Islamic State in West Africa Province (ISWAP)” (United Nations Security Council, 2020). Though ISIS anointed Abu Musab al-Barnawi to lead Boko Haram after the merger with ISIS/ISIL, the tussle between Abubakar Shekau and Abu Musab al-Barnawi over who leads the group resulted in the formation of ISWAP (Jamestown Foundation, 2019). While Shekau remained the leader of the main Boko Haram group, Abu Musab al-Barnawi became the leader of the new splinter group. The group subscribes to most of Boko Haram’s extremist religious ideology. The group differs from Boko Haram in its indiscriminate targeting of civilians. Their focus is more on military targets and less on civilian targets. By so doing, ISWAP succeeded in endearing themselves to the Muslim inhabitants of the Lake Chad Region and strengthening their position in the battle for hearts and minds (Institute for Security Studies, 2019). Beyond not attacking the local inhabitants, they have also undertaken the provision of amenities and social justice in the territories under their control (Geneva Centre for Security Sector Governance, 2019). In recent times, ISWAP has unleashed several frantic attacks against MJTF targets. Since its formation in 2015, the group has undertaken numerous operations mainly targeting military bases, positions, and patrols. Prominent among their operations include the sacking of the MJTF base in Baga in 2018; the attack on a military base in Metele that resulted in the death of over 100 soldiers in 2018; the 2018 abduction of 110 schoolgirls and 3 aid workers in Dapchi; the attacks on MJTF bases in Marte, Kirenowa, and Gubio in 2019; the ambush of military patrol along the Maiduguri-Damboa Road and the killing of 35 soldiers in 2019; the killing of 69 civilians in Felo, Near Maiduguri in 2019; the attack on Niger military base in the Tillaberi region resulting in the death of 60 soldiers; and the attack on the convoy of the governor of Borno State in Nigeria, among others (Defense Post, 2020; United Nations Security Council, 2020). The group is currently one of the most potent terror groups operating in the Lake Chad Region.

4. Strategies/efforts to combat insurgency in the region
Numerous efforts and counter-terrorism responses aimed at eliminating terrorist control of territories, repelling terrorist attacks, undermining terrorist activities and capacity, undercutting terrorist recruitment and financing, have been adopted by governments of the region individually and collectively to contain terrorist activities. Some of these approaches include the military and non-military responses (Mahmood & Ani, 2018; Tella, 2017; Ugwueze & Onuoha, 2020).

4.1. Military responses
The military response to the insurgency in the Lake Chad Region was both national and multinational. The escalation of terrorism in the region in 2009 was originally viewed as a Nigerian problem, giving the root and initial targets of the Boko Haram terrorist organization (Comolli, 2017). The pre-2014 responses of Niger, Chad, and Cameroon were predominantly to surveil the activities of the terrorist group and in some cases, agree to non-aggression pacts with them, since they are not affected by the activities of the group (Comolli, 2017). Nigeria’s initial response to the Boko Haram insurgency was a hard-military approach to clampdown on the insurgents through the declaration of a state of emergency, patrols, raids, and roadblocks, in the affected region, execution of several military operations like Operations Restore Order, Operation BOYONA, Operation Zaman Lafiya, among others, enforced by a Joint Task Force (JTF) drawn from all the national security forces (Osakwe & Audu, 2017). The use of Civilian Joint Task Force (C-JTF), a task force of vigilante groups from different communities in the region armed with sticks, knives, cutlasses, and locally made guns, was also part of Nigeria’s national military response. CJTF was made up of local hunters and local community security personnel. Due to their knowledge of the terrain and their role in identifying members of the terrorist group within their community, they
were considered a useful “knowledge broker” component of the counter-insurgency response (D. E. Agbiboa, 2018).

As the activities of the insurgents began to spread beyond Nigeria to other parts of the Lake Chad region, other affected countries became increasingly concerned. This led to the formation of the Multinational Joint Task Force in its current form with a strength of over 11,000 personnel, in 2014 to coordinate the counter-insurgency military responses of Nigeria, Chad, Niger, and Cameroon, with a mandate centred around creating a safe and secure environment, supporting stabilisation and normalisation programs, and facilitating the delivery of humanitarian assistance (International Crisis Group, 2020). This allowed the members of the task force to strategically coordinate their attacks on the insurgents from different fronts.

4.2. Non-military responses
Non-military responses to the insurgency in the Lake Chad region include an amnesty programme for the insurgents to facilitate deradicalization, disarmament, rehabilitation, reintegration (Onapajo & Ozden, 2020), undercutting terrorist recruitment (H. K Dingji Maza et al., 2020b), humanitarian programmes, and improvement in military–civil relations. The mechanisms designed to undercut terrorist financing are also part of a wider strategy adopted in response to the insurgency. Financial institutions intelligence units in the region were mobilized to target finances associated with terrorism funding (Rock, 2016). Despite these efforts, the terrorist organisations have remained formidable, sustained their activities, and continue to hold on to some territories. This may be because mechanisms against terrorism financing largely target terrorism funding sources and illicit proceeds within the radar of the formal financial institutions. Thus, the vast proceeds from engagement in licit ventures by terror groups in the region continue to energize and vitalize the insurgency.

5. Terrorism financing
Countering terrorism financing is a fundamental aspect of curtailing terrorist activities. The management of terrorist organisations and the conduct of terrorism entails manpower, equipment, and logistics which has financial implications (Freeman, 2011). Terrorist organisations fund their illicit activities with funds from one or more sources like contributions from state actors, laundered funds from illicit sources, or funds from engagement in licit ventures. These three sources underpin the theoretical perspectives of terrorism financing.

5.1. State sources
Lists of “state sponsors of terrorism” are sometimes subjective political tool designed by national governments and regional political bloc in line with their ideology and geopolitical objectives (Byman, 2020). Nevertheless, states have been implicated in the sponsorship and funding of groups that employ terrorist tactics (K. Dingji Maza et al., 2020a). As with India’s support for the Liberation Tigers of Tamil Eelam (LTTE) in Sri Lanka in the 1970s and 80s, states implicated in the funding of groups that indulge in terrorism use the groups as proxy agents to pursue national and regional objectives (Byman & Kreps, 2010). The United States of America, for instance, has designated Democratic People’s Republic of Korea (North Korea), Iran, Sudan and Syria as state sponsors of terrorism (United States Department of State, n.d.). State involvement in the sponsorship of terrorism has gone through different stages. The phenomenon is said to have peaked in the 1970s and 80s, and since then, has undergone a decline, recording lower incidents since 2001 (Collins, 2014)

5.2. Illicit sources
Terrorism has also been financed through laundered illicit proceeds of crime like drug and contraband trafficking, human trafficking, kidnapping for ransoms, piracy, and other forms of crime (K. Dingji Maza et al., 2020a). Proceeds from illicit activities are considered to be a major source of funds for terrorist organisations (Attah, 2019). In the Lake Chad Region, terrorist organisations have also sustained their struggle with funds from ransom money, human trafficking, cross-border
trade in contraband goods, cattle rustling, and extortion (Attah, 2019; FATF-GIABA-GABAC, 2016; Okoli, 2019; Rock, 2016).

5.3. Licit sources
Terrorist organisations have also relied on engagement in legitimate activities like farming, trading, transportation, and other legitimate businesses to fund their activities (K. Dingji Mazza et al., 2020a; FATF-GIABA-GABAC, 2016). This source of funding for illicit organisations is important because it is usually not blacklisted by the authorities, and may be difficult to associate the proceeds from the licit ventures with the illicit activities of terrorist organizations. The insurgent groups in the Lake Chad Region seem to be turning to this source of funds as the region's governments and their international partners clampdown on the different sources of fund for the terrorist groups. This study contributes to the understanding of the role of proceeds from engagement in licit ventures in the prosecution of the illicit activities of the terrorist organizations that are active in the Lake Chad Region.

6. Financing insurgency in the Lake Chad Region: the role of funds generated from licit ventures
The economy of the Lake Chad Region is largely agrarian and is sustained by the lake and its outlets. Major aspects of the economy include agriculture, animal husbandry, fishery, and service provision. Smoked fish, pepper, grains, and nuts are among the major products of the Lake Chad region. The value chain of agricultural and fishing activities provides employment and sustenance for millions of the region's inhabitants. The large-scale and small-scale red pepper industry, for instance, employs over 300,000 people. In 2015, the market in the Diffa region of the Niger Republic alone sold about 7,000 sacks of red pepper at a cost of 72 USD per sack. Producers sell at 40 USD, wholesalers sell at 72 USD, while traders sell at 82 USD (Sissions & Lappartient, 2016). In 2014, the Diffa region recorded fish production of 22,612 tons valued at 34.5 USD m. On average, large-scale fishermen produce 80–100 50 kg cartons of smoked fish per month, while small-scale fishermen produce 10–20. A carton of smoked fish sells for between 82 USD and 205 USD depending on the type of fish and quality of processing (Sissions & Lappartient, 2016). Smoked fish and pepper contributed 48 million dollars to the economy of the Niger Republic alone (Van Lookeren Campagne & Begum, 2017). On the Nigerian side of the Lake Chad, Baga in Kukawa, local government of Borno State hosts the biggest of the fish markets. On average, seven trailer loads of smoked fish are moved from Baga to other destinations daily (Tanimu, 2017). Activities in the fishing industry transcend demographics in the region. Fishing is mostly undertaken by men while smoking and processing are mostly undertaken by women and children. Following years of insurgent activities, terrorist organisations have also ventured into these economic activities to raise fund as regional governments disrupt their external sources of fund.

6.1. Agriculture and fishing
After occupying hundreds of communities, insurgents have undertaken a generation of incomes through engagement in licit ventures to fund their illicit activities. Terrorist organizations in the region are diversifying their fund base by both partaking directly in the lucrative trade in fish and pepper and supporting the participation of willing locals at a cost. Months after insurgents overran Baga, the major fishing community on the Nigerian side of the Lake Chad, and dislodged all residents, communities around Baga began to get smoked fish shipments from Baga. A fish trader in one of the communities around Baga who took note of the involvement of insurgents in the legitimate trade recounted thus in a Daily Trust (Nigerian Newspaper) publication:

Everybody that survived that attack fled Baga. No soul was left behind except the insurgents. Since then there has been no fishing activity in the area when we suddenly realized that fish is being supplied to the market from Baga ... That set off red flags, indicating something fishy was going on in Baga ... since only insurgents are in Baga, it means they are the ones fishing and bringing to the market in Maiduguri to sell (Abubakar, 2015).
Overwhelmed by the sheer volume of work and unable to meet up with market demands, the insurgents invited back residents from Internally Displaced Person’s (IDP) camps to return to their economic activity, guaranteeing their safety, so long as they accept and are willing to comply with the terms laid out by the insurgents. Hundreds of displaced people that are disaffected by conditions in the camps heeded the call and returned to resume farming and fishing activities on the islands. Fishermen pay about 13.8 USD for fishing permits while fish dealers pay 2.8 USD for every carton of fish (Institute for Security Studies, 2019). Salkida (2020) suggests that the insurgents now charge fishermen about 40 USD for a two-week fishing permit and a carton for every six cartons of smoked fish. In 2015, the MJTF detained over 200 vehicle loads of fish in Diffa on suspicion of being associated with terrorist organisations (Bello et al., 2018).

Major-general Olusegun Adeniyi also noted that:

Fishing is one of the major sources of income that boosts the Boko Haram economy. Unfortunately, people from liberated areas who have no regards for lives and properties, or regards for the national cause to end this insurgency, and the common criminals who make money from everything, do go to Boko Haram camps, buy this fish, then bring it to sell in our markets … So, with that, Boko Haram now has a running economy that is generating funds for their dastardly activities (Oduaye, 2019).

A farmer recounted that his household has paid between N400,000 ($1,049) to N500,000 ($1,312) in rent to the insurgents within 3 years, even though he is not among the big farmers (Salkida, 2020). Beyond controlling concessions to farmlands, the insurgents use their terror network to influence and also control the lucrative red pepper market in the region (Koigi, 2020).

6.2. Social service provision
The provision of social services like security, microfinance, water, health care and education is some of the licit mediums that terrorist organisations in the Lake Chad Region have turned to in order to generate fund for their illicit activities. In territories controlled by ISWAP, more civilians have returned to continue their normal lives as they are guaranteed protection by the group at a cost. Locals in the Nigerian part of the region complain about the heavy-handed approach to counter-insurgencies by the MJTF, like the closing of some major roads and trade routes, as having unintended devastating consequences on the civilian population. The condition endured by the civilians from MJTF actions is also compounded by the indiscriminate attack on civilians by the Boko Haram. Thus, ISWAP has exploited the situation to secure trade routes and provide security for local farmers, fishermen and traders. Institute for Security Studies (2019) reports that even wage labourers are returning to earn a living and to contribute to the ISWAP-controlled economy. Pastoralists do not worry about their cattle being rustled as ISWAP follows a justice regime that punishes even their own fighters that violate compliant and law-abiding civilians (International Crisis Group, 2019). Herders pay according to the number of cattle in their herd. For every 30 cows in the herd, herdsmen pay with one fully grown cow for a guarantee of six-month provision of security and access to fertile fields in a system called Hedaya (Salkida, 2020). Due to the reduction in human activities in some parts of the Lake Chad Region as a result of the insurgency, the environment became renewed, making farming, fishing and herding in the region lucrative. With the guarantee of safety at a cost considered reasonable by civilians in the region, this translates to more farmers, more fishermen, more pastoralists, more traders, and more proceeds for the insurgents.

Insurgant groups also provide microfinance to civilian inhabitants of the region, particularly youths to support their engagement in farming and other economic activities. The provision of micro-credit facilities by the insurgents serves dual purposes. First, the insurgents receive interests on the credit facilities they have provided and also collect further proceeds associated with security provision and provision of access to farmlands, payable when the farmers harvest and sell their produce (International Crisis Group, 2019). The insurgents also undertake the provisions of other amenities like potable water by digging wells and boreholes, mobile toilets, health care, and Islamic education (Institute for Security Studies, 2019; International Crisis Group, 2019).
7. Conclusion

Despite the difficulty in ascertaining the exact number of proceeds generated by insurgent groups in the Lake Chad Region through engagement in licit trade to fund their illicit activities, evidence reviewed indicates that it is significant enough to sustain their campaign of terror. Insurgents control major trade routes, fishing communities, and networks in the region. Even in areas under the control of the MJTF, the civilian population remits taxes to insurgents to guarantee their safety. The proceeds being generated by insurgent groups in the region from engagement in licit ventures like farming, trade, and service provision are estimated to be in millions of dollars annually. The Lake Chad Region countries, particularly Nigeria, is a huge market for fish consumption, among other agricultural produce. Fish plays a major role in meeting the nutritional needs of the countries of the region. The 0.5 million tonnes annual fish production leaves a huge gap in satisfying the 1.3 million tonnes annual fish needs (Tijani et al., 2014). The enormous market for fish in the region guarantees a steady stream of income for insurgents, as long as they can get their products to the market. These streams of income form part of the bedrock of funding that has been sustaining the insurgency in the region. In recent times, the insurgent groups have relied on guerrilla tactics in their activities. Thus, targets are carefully selected to save cost and maximize impact. Executing a terror attack in this manner is not so expensive. In any case, successful attacks on military bases yield bountiful weapons and equipment for insurgent groups. The MJTF response to impounding and burning suspected cargo has not degraded the insurgent’s sources of proceeds from licit ventures. This blanket approach inadvertently affects local traders and transporters who may not be associated with the insurgent groups, thus leading to unintended consequences of further damaging civil–military relations, and undermining efforts to build trust, win hearts and minds, and to restore normal livelihoods in the region. The MJTF must therefore readdress its approach to countering the engagement and exploitation of licit trade as a source of funds by insurgent groups in the Lake Chad Region.

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Notes
1. Antonio José Canhandula is the acting United Nations Humanitarian Coordinator for Nigeria.
2. Major-general Olusegun Adeniyi of the Nigerian Army is the theatre commander, Operation Lafiya Dole, an Operation of the MJTF.

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