INFORMAL CROSS BORDER TRADE, SECURITY AND SOCIO-ECONOMIC DEVELOPMENT IN NIGERIA: A CASE STUDY OF THE JIBIA-MAGAMA BORDER, KATSINA STATE

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ABSTRACT

Informal Cross-Border Trade (ICBT) plays a pivotal yet complex role in Nigeria, particularly at the Jibia–Magama border in Katsina State. This paper examines the multifaceted impacts of ICBT on the region's socio-economic development and security challenges. Using a mixed-methods approach, quantitative data from 388 traders and qualitative insights from interviews with border officials highlight the key drivers of informal trade and its security implications. The findings underscore the significance of proximity to trade routes, economic incentives, and cultural ties in promoting ICBT, while regulatory barriers and security risks remain primary challenges. Security threats such as contraband smuggling, drug trafficking, and armed criminal activities compound governance issues and hinder economic growth. The paper recommends enhanced border security measures, targeted economic policies to incentivize formal trade, and strategic infrastructure investments to mitigate these challenges and foster sustainable development.

Key Words: Border Security, Informal Cross-Border Trade (ICBT), Regulatory Barriers, Security Challenges, Socio-economic Development

Introduction

Informal Cross-Border Trade (ICBT) is a significant phenomenon in Nigeria, profoundly impacting both the economy and security landscape. It involves the unregulated movement of goods across international borders, circumventing official channels and customs regulations. This trade is predominantly conducted by small businesses or individuals aiming to avoid high tariffs and bureaucratic obstacles. Recognized by the United Nations Conference on Trade and

Development (UNCTAD, 2023), ICBT includes transactions between nations covered by national income conventions but not reflected in official national income data. Operating on a small scale, ICBT relies on individuals or small enterprises transport goods across borders, either personally or through informal networks. While crucial for providing essential income and employment opportunities in many developing countries, ICBT poses challenges, regulatory evasion, inadequate safety standards, and potential security risks.

Considerably, Nigeria, bordered by four African nations, namely Benin, Niger, Chad, and Cameroon exemplifies the complexities of ICBT. The often poorly defined boundaries between Nigeria and its neighbors have led to numerous disputes, particularly with Chad, Benin, and Niger (Constanze, 2014). These ambiguous borders facilitate unauthorized flows of both people and goods, contributing to significant security concerns for Nigeria, including armed banditry, religious crises, ethnic unrest, and the transit of illegal drugs and chemicals. Informal trade has historically been integral to the economy and remains a critical driver of job growth in Africa, accounting for 20% to 75% of employment across the continent, with the notable exception of South Africa, where it constitutes 12% of the active population (Annamarie and Vicky, 2020).

The growth of Informal Cross-Border Trade (ICBT) is driven by several factors: evasion of high export taxes and import duties, cumbersome customs procedures, and unpredictable delays in formal trade (Schneider, 2014; Karam & Ndirangu, 2017). These challenges are exacerbated in developing countries by market failures and infrastructure deficiencies, such as poor roads and limited access to financing, which collectively push economic activity towards informal channels (Mesplé & Farole, 2020). Overall, the high costs, bureaucratic hurdles, and market constraints of formal trade create favorable conditions for the expansion of ICBT. Thus, these dynamics underscore the complex interplay between economic activities, state policies, and security concerns along Nigeria's borders, influencing both local livelihoods and broader socioeconomic development efforts.

The Jibia – Magama border in Katsina State is a prime example of the complexities and challenges of ICBT, offering valuable insights for political economy studies. Illegal commerce at this border includes the smuggling of petrol from Nigeria into Niger, the unauthorized importation of Nigerian-made commodities, and the re-exportation of restricted items from Niger to Nigeria. Common predicate crimes in both nations include drug trafficking, human trafficking, and armed robbery. Nigerian criminal organizations often use Niger as a conduit for activities such as drug trafficking, human trafficking, smuggling, cybercrime, credit card fraud, and various tax offenses. Addressing these challenges is crucial for optimizing the positive impacts of ICBT while mitigating associated risks.

For these reasons, it is fundamental for this paper to seek solutions to the following queries:

1. What are the factors influencing informal trade activities at the Jibia–Magama border in Katsina State, Nigeria?

2. What is the security challenge arising from informal trade along the Jibia–Magama border in Katsina State, Nigeria?
3. How do security challenges induced by informal trade impact the socio-economic development of the Jibia – Magama border region and the broader Nigerian economy?

This study aimed to analyze the drivers, security implications, and socio-economic impacts of ICBT at the Jibia-Magama border to inform policy interventions

Theoretical Framework

This study adopts Political Economy Theory as its theoretical framework because it provides a suitable lens for understanding the interaction between economic incentives, state regulation, and security outcomes in the context of informal cross-border trade (ICBT) at the Jibia–Magama border in Katsina State, Nigeria. Political Economy Theory, associated with classical scholars such as Adam Smith (1776) and Karl Marx (1867), explains how economic behaviour is shaped not only by market forces but also by political institutions, regulatory structures, power relations, and state capacity. In the context of this study, the theory is relevant because informal cross-border trade does not occur in an economic vacuum; rather, it is influenced by border regulations, customs enforcement, taxation, insecurity, smuggling networks, and the livelihood pressures faced by traders operating within a fragile border economy.

Political Economy Theory assumes that economic actors respond to incentives created by both markets and the state. Thus, where formal trade procedures are costly, border regulations are weakly enforced, and economic hardship is widespread, traders may resort to informal channels as a rational survival strategy. At the same time, weak institutional control and inconsistent policy enforcement may create opportunities for illicit trade, smuggling, bribery, and security threats. This makes the theory particularly useful for explaining the Jibia–Magama border context, where the intersection of poverty, profit-seeking, porous borders, and limited state capacity shapes the pattern of informal trade and its consequences for security and development.

More importantly, Political Economy Theory directly informed the design of this study. First, it shaped the key variables and themes examined in the research. The study's focus on the drivers of informal cross-border trade such as poverty, unemployment, exchange-rate differentials, high tariffs, and restrictive trade regulations was drawn from the theory's emphasis on economic incentives and state-created market distortions. Similarly, the study's attention to security implications including smuggling, arms trafficking, evasion of customs duties, and the movement of prohibited goods was informed by the theory's concern with how weak institutions and uneven regulation create spaces for illicit economic activities. In the same way, the study's analysis of socio-economic impacts, such as income generation, livelihood support, revenue loss, market instability, and pressure on local security systems, reflects the theory's central concern with the distribution of costs and benefits arising from economic and political arrangements.

The relevance of Political Economy Theory to this study, therefore, lies not only in its ability to explain the relationship between economy and politics, but also in its usefulness in linking the three core dimensions of the study: the drivers of informal cross-border trade, its security implications, and its socio-economic consequences**.** By applying this framework, the study is able to move beyond a purely descriptive account of border trade and instead explain how regulatory gaps, economic incentives, and governance failures interact to shape informal trading practices and their outcomes at the Jibia–Magama border. In this way, the theory provides both an analytical foundation for the study and a framework for interpreting the complex relationship between informal trade, insecurity, and development in a border community.

Research Methodology

This research aimed to address these concerns and was conducted in Magama–Jibia, a border town near the Nigeria–Niger border within the Jibia Local Government Area of Katsina State. The town, with a population estimated at between 10,000 and 15,000 (NPC, 2022), is predominantly inhabited by Hausa people who are primarily engaged in farming and trade. Magama–Jibia also boasts a diverse population, including Igbo and Yoruba ethnic groups, contributing to its cultural richness. Positioned at a strategic crossroads linking Maradi, Katsina, and Sokoto, Magama-Jibia has gained significance since the colonial-era establishment of a border post, emerging as a pivotal center for both legal and illicit trade activities.

This research employed a mixed-method approach, combining qualitative and quantitative data collection techniques. Quantitative data were gathered using the Taro Yamane formula to determine a sample size from the estimated population of 10,000 to 15,000, resulting in a recommended sample size of approximately 388 respondents, comprising both registered and unregistered traders. Qualitative data were obtained through semi-structured interviews and focus group discussions involving 30 purposively selected participants. This included 10 Customs officers, 10 Immigration officers, and 10 Police officers stationed at the border, with a focus on their roles in export-import administration and border security. Personal observations made by the researchers during fieldwork were also integrated as primary data, providing additional insights that enriched the overall analysis and findings of this research.

Literature Review

Empirical studies on Informal Cross-Border Trade (ICBT) in Nigeria reveal a complex relationship between economic survival, market integration, and security vulnerability. Across the literature, there is broad agreement that ICBT plays a significant role in supporting livelihoods, facilitating access to goods, and sustaining local economies, especially in border communities. At the same time, scholars consistently acknowledge that ICBT creates regulatory and security challenges, including smuggling, tax evasion, illicit trafficking, and weak state control over border spaces. However, while these studies offer useful insights into the economic and security implications of ICBT in Nigeria, they differ in emphasis, scope, and analytical

depth, and only limited attention has been given to the specific dynamics of the Jibia–Magama border in Katsina State.

A first cluster of studies emphasizes the economic and livelihood benefits of ICBT. For example, Okeke and Meludu (2018), in their review of informal cross-border trade and economic development in Nigeria, argued that ICBT contributes to employment generation, market expansion, and grassroots commercial activity. Similarly, Adebayo (2019), focusing on Ogun State, found that ICBT contributes to food security by ensuring the movement and affordability of food items across borders. Egwumah and Onyeka (2021) further demonstrated that ICBT serves as an important source of income and economic empowerment for women traders in Abia State. In a related study, Nwanegbuna and Ikechukwu (2023) observed that ICBT can support the manufacturing sector by improving access to cheaper raw materials. Taken together, these studies converge on the argument that ICBT is not merely an illegal or informal activity, but also a survival mechanism and a source of economic opportunity for border populations and small-scale traders.

Despite this broad agreement on the economic relevance of ICBT, the literature also reveals important differences in how its developmental outcomes are understood. While Okeke and Meludu (2018) present ICBT largely as a developmental opportunity that can be better harnessed through legal reform, Nwanegbuna and Ikechukwu (2023) adopt a more ambivalent position by showing that the same trade can generate adverse effects for domestic producers through unfair competition. In the same vein, Adebayo (2019) emphasizes ICBT's positive contribution to food availability, whereas Egwumah and Onyeka (2021) draw attention to the structural vulnerabilities faced by women traders, including harassment and exclusion from credit opportunities. These differences suggest that the impact of ICBT is not uniform; rather, it varies across sectors, locations, and categories of participants. This makes it necessary to move beyond general claims about ICBT and investigate how its benefits and costs are distributed in a specific border setting such as Jibia–Magama.

A second major strand of the literature focuses on the security implications of ICBT, and here there is a stronger consensus among scholars. Akanni and Adebisi (2020) argue that ICBT poses serious national security concerns because it facilitates the illicit movement of goods and weapons across poorly regulated borders. Okolo and Egwue (2022), studying the Nigeria–Niger border region, reinforce this position by identifying arms smuggling, human trafficking, and cattle rustling as major security threats associated with informal border trade. Adebayo (2019) also notes that smuggling and banditry disrupt trade flows and create uncertainty for traders. These studies collectively show that ICBT is not simply an economic phenomenon; it is deeply entangled with insecurity, weak border governance, and informal networks that operate beyond the effective control of the state.

However, even within this security-focused literature, there are differences in interpretation and emphasis. Akanni and Adebisi (2020) frame ICBT primarily as a national security problem

requiring stronger border control, while Adebayo (2019) and Egwumah and Onyeka (2021) present a more balanced perspective in which insecurity is one of several constraints affecting traders rather than the sole defining feature of ICBT. This divergence is important because it highlights a conceptual tension in the literature: some studies view ICBT mainly through the lens of illegality and security risk, while others emphasize its socio-economic necessity and the survival logic that sustains it. The implication is that policy responses based solely on securitization may overlook the economic realities that push traders into informal channels. It is precisely this tension between livelihood necessity and security concern that requires closer empirical investigation at the Jibia–Magama border.

The literature also differs in methodological orientation and scope, which affects the kind of conclusions that can be drawn. Okeke and Meludu (2018) and Akanni and Adebisi (2020) rely largely on secondary literature review, which enables broad national-level reflection but limits direct engagement with local actors and context-specific realities. By contrast, Adebayo (2019), Egwumah and Onyeka (2021), and Okolo and Egwue (2022) use field-based methods such as surveys and interviews, thereby providing richer empirical evidence on trader experiences, local insecurity, and institutional challenges. Yet even among these empirical studies, the geographical focus remains fragmented covering Ogun State, Abia State, or the broader Nigeria–Niger border region without a dedicated investigation of the Jibia–Magama border, which occupies a strategic position in northern Nigeria's trade and security landscape. As a result, the literature provides useful general patterns but does not adequately explain the specific drivers, security implications, and socio-economic effects of ICBT in Jibia–Magama.

Another important weakness in the existing literature is the limited theoretical integration of political and economic explanations. Most studies acknowledge that poverty, weak regulation, smuggling, and state neglect are relevant to ICBT, but few systematically analyze how these factors interact within a coherent theoretical framework. In particular, the reviewed studies do not sufficiently apply Political Economy Theory to explain how economic incentives, state regulatory failure, and local power relations combine to shape informal trade and security outcomes. This omission is significant because ICBT at a border such as Jibia–Magama cannot be fully understood without considering the interplay between livelihood pressures, cross-border market opportunities, customs enforcement, corruption, and the broader political management of border spaces.

Based on the foregoing review, three main gaps emerge. First, most existing studies generalize from other border regions or states and do not provide a focused analysis of the Jibia–Magama border, despite its strategic importance in Nigeria's northern border economy and security environment. Second, although previous studies discuss economic benefits and security challenges separately, few integrate both dimensions in a single analysis to show how ICBT simultaneously supports livelihoods and generates security vulnerabilities. Third, the literature pays insufficient attention to the explanatory value of Political Economy Theory in understanding how economic hardship, regulatory constraints, and institutional weaknesses

interact to shape informal trade practices and their consequences. This study addresses these gaps by examining the drivers of ICBT, its security implications, and its socio-economic impacts at the Jibia–Magama border through the lens of Political Economy Theory. In doing so, it provides a context-specific and theoretically grounded account of the relationship between informal trade, insecurity, and development in a critical border community in Katsina State.

Data Presentation

The quantitative data collected from a sample of 388 respondents, comprising both registered and unregistered traders, analysed descriptive statistics in SPSS version 28.0. This analysis involved computing the mean (x) and standard deviation (SD) to address research questions 1 and 2, as outlined in the survey questionnaires.

Research Question One: What are the factors influencing informal trade activities at the Jibia – Magama border in Katsina State, Nigeria?

Table 1: The Factors Influencing Informal Trade Activities at the Jibia–Magama Border

S/N	Item	Mean	SD	Decision
1	Proximity to major trade routes	4.5	1.2	Significant
2	Economic incentives (lower tariffs)	3.8	0.9	Significant
3	Regulatory barriers	2.1	1.5	Moderate
4	Availability of informal networks	4.2	1.0	Significant
5	Security and law enforcement presence	2.5	1.3	Moderate
6	Cultural ties across borders	3.6	0.8	Significant
7	Political stability	3.9	1.1	Significant
8	Infrastructure (roads, transport)	3.4	1.2	Moderate
9	Socioeconomic disparities	4.0	0.7	Significant

Source: Field Survey, 2024

Table 1 above provides insights into the factors influencing informal trade activities at the Jibia – Magama border in Katsina State, Nigeria. It indicates that proximity to major trade routes (mean 4.5) and the availability of informal networks (mean 4.2) are perceived as significant drivers, highlighting their critical roles in facilitating cross-border trade. Economic incentives such as lower tariffs (mean 3.8) and cultural ties across borders (mean 3.6) also play significant roles in promoting informal trade. However, the presence of regulatory barriers (mean 2.1), security and law enforcement challenges (mean 2.5), and moderate infrastructure development (mean 3.4) present obstacles that moderate the extent of informal trade activities. Political stability (mean 3.9) and the addressing of socioeconomic disparities (mean 4.0) emerge as significant factors influencing the expansion and sustainability of informal trade practices. These findings underscore the multifaceted nature of informal trade dynamics and suggest that addressing regulatory and security challenges while leveraging economic and cultural ties could

enhance the positive impacts of informal trade on the border region's socio-economic development.

Research Question Two: What are the security challenges arising from informal trade along the Jibia – Magama border in Katsina State, Nigeria?

Table 2: The Security Challenges Arising from Informal Trade along the Jibia-Magama Border

S/n	Security Challenges	Mean	SD	Decision
1	Smuggling of contraband goods	3.8	1.1	Significant
2	Trafficking of drugs and illicit substances	4.2	0.9	Significant
3	Movement of firearms and ammunition	3.5	1.3	Moderate
4	Human trafficking	3.9	1.0	Significant
5	Cattle rustling	2.7	1.2	Moderate
6	Presence of armed bandits and criminal gangs	4.0	1.0	Significant
7	Corruption among law enforcement and border officials	3.2	1.4	Moderate
8	Lack of effective border control and surveillance	3.6	1.1	Significant
9	Cross-border conflicts and disputes	3.4	1.0	Moderate

Source: Field Survey, 2024

Table 2 above highlights various security challenges associated with informal trade activities along the Jibia – Magama border in Katsina State, Nigeria. It reveals that trafficking of drugs and illicit substances (mean 4.2) and smuggling of contraband goods (mean 3.8) are perceived as significant issues, indicating their widespread occurrence and impact on security.

The presence of armed bandits and criminal gangs (mean: 4.0) also poses a significant threat, alongside human trafficking (mean: 3.9) and the lack of effective border control and surveillance (mean: 3.6). Moderately significant challenges include the movement of firearms and ammunition (mean: 3.5), corruption among law enforcement and border officials (mean: 3.2), and cross-border conflicts and disputes (mean: 3.4). Cattle rustling (mean: 2.7) emerges as a moderate concern. These findings underscore the complex security landscape at the border, highlighting the need for enhanced law enforcement, improved surveillance, and strategic policy interventions to mitigate these challenges effectively.

To address research question three, methods, including semi-structured interviews and focus group discussions, with 30 purposively selected participants. These participants included Customs officers, Immigration officers, and Police officers stationed at the Jibia – Magama border in Katsina State, Nigeria. The collected data underwent thematic analysis, a method aimed at identifying recurring themes and patterns. This approach provided deeper insights into the complex socioeconomic dynamics involved in cross-border trade activities:

How do security challenges induced by informal trade impact the socioeconomic development of the Jibia–Magama border region and the broader Nigerian economy?

In response to the qualitative research question, participants emphasized that informal cross-border trade (ICBT) plays a pivotal role at the Jibia – Magama border region in Katsina State, Nigeria. While it presents economic opportunities, the associated security challenges pose significant threats to both the local socioeconomic development and the broader Nigerian economy. Respondents highlighted that security issues stemming from informal trade at the Jibia–Magama border profoundly affect the region and beyond. The prevalence of smuggling, trafficking, and illicit goods jeopardizes security, erodes public trust in governance, discourages investors, and hinders economic growth. These challenges are exacerbated by economic incentives and regulatory gaps, creating environments conducive to illicit networks, thereby threatening stability.

In support of this, Nwanegbuna and Ikechukwu (2023) argue that Informal Cross-Border Trade (ICBT) introduces security challenges, including banditry, weapons smuggling, and kidnappings, which cause fear and uncertainty and disrupt trade flows. Consequently, traders are reluctant to travel due to safety concerns, impeding the movement of goods across borders and diminishing potential economic gains. Akanni and Adebisi (2020) further contribute that smuggling activities associated with ICBT result in government revenue losses through tax evasion and customs duty avoidance. This reduction in revenue limits resources available for government investments in social services, education, and healthcare, thereby impacting overall regional and national development.

Participants highlighted that porous borders due to informal trade facilitate the influx of undocumented goods and people, straining social services and disadvantaging formal businesses. This exacerbates disparities by limiting access to formal opportunities and services, thereby hindering equitable economic growth. Formal enterprises face unfair competition from informal traders who evade taxes and regulations, leading to reduced government revenue and inhibiting public sector investment in crucial infrastructure and social programs.

In support of this, Nwanegbuna & Ikechukwu (2023), note that the influx of cheaper, often smuggled goods through Informal Cross Border Trade (ICBT) can adversely affect local businesses operating through formal channels, fostering unfair competition and stifling the growth of regional industries. This scenario diminishes job opportunities within the area. Additionally, Okeke and Meludu (2018) noted that security challenges associated with ICBT discourage investments in infrastructure development within the region. Businesses are hesitant to allocate resources to areas where security is compromised, thereby impeding improvements to roads, storage facilities, and other critical infrastructure necessary to support formal trade activities.

Participants also noted that security challenges hinder the enforcement of trade regulations, thereby adversely affecting budgets for healthcare, education, and infrastructure, and limiting

economic development. The unchecked nature of informal trade undermines revenue sources vital for public services, perpetuating economic vulnerability and obstructing sustainable growth. Consequently, this situation not only weakens public sector capacity but also perpetuates a cycle of underdevelopment and instability in the region.

In support of this, Okeke & Meludu, (2018) posited that the unchecked nature of informal trade, driven by security concerns, undermines revenue sources vital to public services, perpetuating economic vulnerability and obstructing sustainable growth. This situation weakens the public sector's capacity to provide essential services and invest in development projects. Furthermore, the lack of resources for security measures creates a cycle of underdevelopment and instability in the region. This cycle discourages legitimate businesses and foreign investment, further hindering economic growth.

The analysis of the findings identifies several key themes that outline the impact of informal cross-border trade (ICBT) on the Jibia-Magama border region in Katsina State, Nigeria. These themes include:

1. Economic Opportunities.
2. Security Challenges.
3. Governance and Public Trust.
4. Economic Impact.
5. Competition and Market Dynamics.
6. Infrastructure Development. Impact on Public Services,
7. Policy and Institutional Responses.

Table 3: Reduced Thematic Analysis and Description of Emerging Themes

S/N	Theme	Description	Significant Findings
1	Economic Opportunities and Livelihoods	ICBT provides income, market access, and livelihood opportunities for traders and border communities.	Participants emphasized that ICBT supports household income and economic survival, although its benefits are constrained by smuggling and informal competition.
2	Security Challenges and Trade Disruptions	ICBT is associated with smuggling, trafficking, banditry, and other illicit activities that threaten safety and disrupt trade.	Respondents highlighted incidents of weapons smuggling, kidnapping, and insecurity, which discourage trade flows, investment, and economic stability.
3	Governance, Regulation, and Public Trust	Weak regulation, corruption, and poor border governance undermine public trust and make informal trade difficult to control.	Findings showed that ineffective regulation and corruption facilitate undocumented trade, weaken state authority, and disadvantage formal businesses.
4	Economic and	ICBT contributes to tax evasion	Participants noted that informal

	Public Service Implications	and revenue loss, reducing government capacity to fund public services and infrastructure.	trade weakens government revenue, thereby affecting budget allocations for roads, healthcare, education, and other public services.
5	Policy and Institutional Responses	Effective management of ICBT requires stronger border control, surveillance, law enforcement, and policies that integrate informal trade into formal systems.	Respondents recommended improved surveillance, better law enforcement, and policy reforms to reduce insecurity and formalize cross-border trade activiti

Source: Field interview, 2024

Table 3 above presents a comprehensive thematic analysis of the security challenges arising from Informal Cross-Border Trade (ICBT) at the Jibia–border in Katsina State, Nigeria, and their impact on socioeconomic development. It underscores the economic opportunities facilitated by ICBT despite hurdles such as smuggling and competition from informal traders. Security concerns include weapons smuggling and trafficking, affecting public safety, governance, and economic stability negatively. Governance suffers from corruption in the regulation of cross-border trade, exacerbated by the influx of undocumented goods, thereby straining social services and disadvantaging formal businesses. Economic impacts include revenue loss from tax evasion, which affects government budgets for essential services. Informal trade creates unfair competition, hinders growth, and reduces job opportunities, while security challenges deter infrastructure investment that is crucial for the development of formal trade. Addressing these issues requires enhanced surveillance, law enforcement, and the formalization of informal trade to foster economic growth and stability at the border.

Findings and Results

This paper examines the socio-economic and security implications of Informal Cross-Border Trade along the Jibia–Magama Border in Katsina State in Nigeria. The quantitative analysis of the first research question on factors influencing informal trade at the Jibia-Magama border highlights several key drivers and barriers. Proximity to major trade routes and established informal networks are identified as significant facilitators, whereas regulatory challenges and security issues are perceived as obstacles with lower mean scores. Economic incentives such as reduced tariffs and cross-border cultural ties also play an influential roles in promoting informal trade. Political stability and efforts to address socioeconomic disparities exhibit strong mean scores, emphasizing their crucial role in sustaining informal trade practices. These findings underscore the intricate interplay of factors shaping dynamics in informal trade, emphasizsing the necessitated for targeted policy interventions to effectively mitigate barriers and leverage facilitators.

The quantitative findings related to the second research question concerning security challenges associated with informal trade at the Jibia–Magama border include smuggling of

contraband goods, drug trafficking, and the presence of armed criminal groups, which significantly impact security and governance. The porous nature of the border, driven by informal trade, exacerbates these challenges, straining social services and disadvantaging formal businesses. Moreover, corruption within law enforcement and inadequate border control contribute to moderate security risks, hindering effective regulation and enforcement efforts. The findings highlight the intricate security landscape and advocate for enhanced law enforcement strategies, improved surveillance, and targeted policy interventions to effectively address these multifaceted challenges.

Qualitative insights from the third research question reveal that informal cross-border trade (ICBT) at the Jibia–Magama border in Katsina State presents economic opportunities but also significant security and governance challenges. Issues such as smuggling, trafficking, and illicit activities undermine public trust, deter investment, and hinder economic growth. The influx of undocumented goods strains social services and creates unfair competition for formal businesses, perpetuating disparities. Regulatory gaps and insufficient infrastructure investment, driven by security concerns, further impede socioeconomic development and government revenue generation. Effective enforcement of trade regulations and strategic infrastructure development are essential to mitigating these challenges and fostering sustainable regional growth.

Conclusion

The paper examined the impact of informal cross-border trade (ICBT) at the Jibia -Magama border in Katsina State, Nigeria, highlighting both economic opportunities and significant security and governance challenges. The quantitative analysis reveals that proximity to major trade routes and established informal networks are key facilitators of ICBT, with economic incentives such as reduced tariffs and cross-border cultural ties further supporting ICBT. However, regulatory challenges and security issues, including smuggling, drug trafficking, and the presence of armed criminal groups, are major impediments. These security challenges are exacerbated by the border's porosity, corruption within law enforcement, and inadequate border controls, straining social services and disadvantaging formal businesses. Qualitative insights emphasize that while ICBT provides livelihoods and fosters economic activity, it also undermines public trust in governance, deters investment, and hinders economic growth. The influx of undocumented goods creates unfair competition for formal businesses and perpetuates economic disparities. Furthermore, regulatory gaps and insufficient infrastructure investment stemming from security concerns impede overall socioeconomic development and reduce government revenue.

Recommendations

Based on the findings, the paper proffered the following recommendations:

1. The government should enhance border security measures and law enforcement capabilities to combat the smuggling of contraband goods, drug trafficking, and the presence of armed

criminal groups. This can be achieved by implementing advanced surveillance technologies and increasing training and resources for border control personnel, ensuring effective regulation and monitoring of cross-border activities.

2. The government should develop and implement targeted economic policies that incentivize formal trade while addressing the economic factors driving informal trade. Measures such as reducing tariffs, simplifying trade regulations, and promoting cross-border cultural ties can encourage traders to transition from informal to formal trading channels, thereby boosting government revenue and economic stability.

3. The government should invest in critical infrastructure, including roads, storage facilities, and border control installations, to support formal trade . Allocating resources to improve social services, healthcare, and education in the region will help reduce socioeconomic disparities that fuel informal trade, fostering an environment conducive to sustainable economic growth.

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