

AN ANALYSIS OF THE IMPACT OF INFORMAL CROSS BORDER TRADE ON NIGERIA-CAMEROON FOREIGN RELATIONS

¹Richard Idemudia Inegbedion, ²Dr. Joseph W. Ndalilah

¹Mount Kenya University,

²Department of Humanities & Social Sciences,
University of Kabianga

ABSTRACT

This study analyses the impact of Informal Cross Border Trade (ICBT) on Nigeria-Cameroon foreign relations. It is observed in the study that, Nigeria and Cameroon share a similar history, geography and a distinct cultural background, key to their social and economic relations. It is further noted that Nigeria plays a major role in Cameroon's history, sometimes influencing Anglophone Cameroon. Both countries are significant trading partners, but mostly informally, which has expanded in the post-independence period. This is attributed to the delinking of Nigeria from the British West African Sterling zone, as predominantly Francophone Cameroon, integrated in the semi-convertible France Zone. The cross-river region, with south-west Cameroon, has locational advantage in the cross border trade. Since the beginning of precolonial ties, Old Calabar in Nigeria and Douala in Cameroon were the foci that provided sea lanes for this trade. The paper holds that, Informal Cross Border Trade along Nigeria-Cameroon border has shaped the foreign relations between the two countries. The study applied territoriality theory to interpret the impact of ICBT on Nigeria-Cameroon foreign relations. The theory holds that; each sovereign state has authority to manage resources within its borders. The study used both primary and secondary sources. Sampling, a questionnaire and direct observation was employed. The study demonstrates that ICBT, enhances foreign relations between Nigeria and Cameroon. It also expands knowledge on the impact of ICBT on foreign relations.

KEYWORDS: Impact, Informal, Cross-Border Trade, Foreign Relations.

1. INTRODUCTION AND BACKGROUND

The phenomenon of unrecorded trade is not only widespread, but is also a significant factor in the functioning of most African economies. Many government policy planners and development agencies have been worried because it challenges many economic assumptions and has implications for both economic and foreign policymaking. Conventional economic analysis has often ignored this ever-expanding sector of the total economy because it does not appear in official reports and statistics.

Even though unrecorded part of the economy is not reflected in the national accounts or official economic gazettes, a lot of economic activity happens. This has been referred to terms and focus on the magnitude, organization and motivation of traders. Cross-border trade more or less is "illegal", in admissible, and "little" is known about the causes and consequences, organization, profits, expenses, the factors that motivate people to participate and its linkages with the official economy.

Cross border trade is indeed a complex system of formalities rooted in the history of economic development and characterized by the ability of actors and institutions to respond to new trends and defend their interests. The creation of the borders was influenced by the rivalry between the colonial powers which resulted in the diversion of trade to their respective spheres. Over the course of this long history, the survival, and growth of cross-border trade has been dependent on the capacity of cross-border trade networks to adapt to changes in political organization, transport, and communications technology.

Many African countries had positive foreign relations at independence in the 1960s. Cameroon attained her independence in 1960 and soon followed this trend, especially in its relations with Nigeria, which in the main has been the biggest trading partner. Cross-border trade is a significant factor in the development of international relations. Nigeria and Cameroon's relationship is one example. The informal nature of cross-border trade means it is not officially recorded in GDP statistics (Chung, 2010; Garcia, 2004). But it occurs in all countries, regardless of income level or economy size, and encompasses a range of activities from women selling produce illegally at the border to registered businesses underreporting their production and livestock sales (Anghuie, 2004).

In the post-independence era, cross-border trade between the two countries expanded. The 1970s saw the adoption of development strategies based on liberal import regimes, including the Structural Adjustment Programme, aimed at redressing imbalances and eliminating incentives for cross-border trade. This approach opened up new opportunities for cross-border trade in the context of economic freedom.

The region bordering Cameroon and the cross-river region has an advantage in cross-border trade. From precolonial times, Old Calabar in Nigeria and Douala in Cameroon were the places that provided sea lanes for this trade. These sea lanes are complemented by trade routes that go along and around the borderlands. Beyond border markets, the development of twin towns can be traced back to cross-border trade activities. These border markets and twin towns play an important role as intermediaries or receivers but sometimes these towns and markets have become a haven for criminals, human traffickers, and smugglers.

Interestingly, the border markets and twin towns are inhabited by nationals of both states, who transact their businesses without inhibition. The customs, immigration, and gendarmes are aware of this development. The Boki, Ejagham, Ibibio/Efik languages, including "pidgin English," are spoken which makes it difficult to distinguish a Nigerian from a Cameroonian and vice versa.

Despite initiatives to encourage trade integration in the ECOWAS, particularly between Nigeria and Cameroon, there are still obstacles (Abdulai, 2007). Some traders choose illegal trade as a result of these constraints (Levin and Widell, 2007). According to Wilson et al., (2005) Informal Cross-border trade is a source of livelihood, jobs and generally defines a people's wellbeing. It is a serious fallback in terms of the economics of scale enabling traders to meet their dependents' fundamental requirements, including purchasing land, housing, and schooling in addition to obtaining other needs. Kaplan and Norton (2000) note that it supports women's empowerment. These business owners tend to be youths of ages between 25 and 35 years. As opposed to formal trade, economic players participate in informal trade due to restrictive rules namely; Tariffs, quotas, exchange controls, state monopolies, and export limitations including currency declaration and licensing requirements. These constraints promote smuggling, underreporting of imports and exports to avoid paying taxes.

Studies on the subject show that informal cross-border trade significantly affects ties between Nigeria and Cameroon in West Africa (OECD, 2004). Food, manufactured commodities, minerals, and forest resources are the four pillars of trade. A key trading partner of Nigeria is Cameroon because of its close vicinity, shared history, interchange of cultures, and similar agricultural products. Commodities of unrecorded trade from Cross River State, Nigeria to Cameroon include; petroleum products, rice, bush mango, used secondhand clothing/shoes, pharmaceuticals, pirated music cassettes /home videos, wine/hot drinks, manufactured/industrial goods/building materials/cement. On the other hand, commodities from Cameroon to Nigeria include; Roofing sheets (Cameroon Zinc), Cameroon mattress, pirated makossa music, wine/hot drinks, French shoes, second hand clothing, Cigarettes, cocoa, plantain, and Bush mango. In this case, then, informal cross-border trading in basic foods is widespread and multidirectional. Formal trade links between Nigeria and Cameroon have faced issues. It is against this background that an examination of the impact of this informal trade on Nigeria-Cameroon foreign relations therefore, proceeds.

The Need to Understand the Impact of Informal Cross Border Trade on Foreign Relations

A lot of literature is available on the issue of the impact of cross Border trade on foreign relations in the world. However, an analysis of the impact of Cross- Border trade on Nigeria-Cameroon foreign relations is grossly understudied. Similar studies have been done elsewhere and ignored this particular area and in that case, it exposes a study on the impact of Cross-Border trade to generalized works. Despite Nigeria and Cameroon being significant trading partners, their formal trade relationship has been hindered by various factors.

However, research into Informal Cross-Border Trade has been limited specifically in reference to its impact on Nigeria-Cameroon relations. This study therefore focuses on how Cross Border Trade along the Nigeria-Cameroon border, (which is mainly informal) has succeeded in shaping the foreign relations between the two

neighbouring countries. By addressing this question, the study serves to expand knowledge on the impact of Cross-Border Trade on foreign relations, generally and Nigeria-Cameroon foreign relations in particular.

It will serve as a reference for government officials, academics, civil society organizations, public institutions, and other people who are interested in dealing with the losses from cross-border trade in Nigeria and Cameroon. The findings of this research will provide valuable information to policymakers in Nigeria, Cameroon, and other West African Community partner states, and contributes to the development of Nigeria-Cameroon foreign policy. The study will also be useful to border management agencies and other public sector managers, and will shed light on the impact of cross-border trade on the relationship between Nigeria and Cameroon. This study, although with a focus on how cross-border trade has shaped foreign relations between Nigeria and Cameroon, the findings may be generalised to other regions in Africa, Asia and the general Third World.

2. MATERIALS AND METHODS

The study was conducted in towns along Western Nigeria, near the border with Cameroon; (namely Ikom Ajassor, Boki, Desho, Calabar, Oron, Ekang Mfum in Cross River State in Nigeria; Ekok Mamfe, Bamede, Nsanaragatti, Eyumojuk, Ekugatti, Limbe, Yaoundé, Douala, Kumbe Mamfe in South West Province, Cameroon) which are the hub for ICBT between Nigeria and Cameroon. ICBT in these towns is characterized by the exchange of goods and services through unofficial channels, without government regulation or oversight. Informal trade in these towns is driven by factors such as the proximity to the border, weak governance, and lack of formal employment opportunities.

The study was conducted in these towns because they are, apart, from being transit posts, they are also major administrative towns along the Nigeria-Cameroon border and, therefore, record types of commodities traded in and the types of informal CBT. Decision makers of both states, including immigration officials and other cadres of government officials in charge of state-state relations and political actors involved in strategic and foreign policy, are either residents or have at least a foothold in these towns. These towns harness the potential of border regions of Nigeria and Cameroon; Cross River State in Nigeria and border towns South West Province Cameroon in Cameroon. The study used both primary and secondary sources. Sampling, a questionnaire and direct observation was employed. The study demonstrates that ICBT, positively influences Nigeria-Cameroon foreign relations.

3. RESULTS AND DISCUSSION

An Overview of Informal Cross Border Trade

There is no agreement among researchers on the definition of an informal economy. The early definitions have been criticized for being unclear. Generally, the concept encompasses activities that are unstructured, operate outside official controls, and are often insecure and unstable. Although informal trade might have many names and forms, it is always excluded from national and regional accounts. Hummels (2006) describes it as trade that is not included in a country's or region's domestic and international trade statistics. It is heavily influenced by policies of national governments and its success hinges on the ease of crossing borders without incurring high official payments, tariffs, or border charges, and being able to bring one's own or light vehicles (Martinez-Zarzoso and Marques-Ramos, 2007).

Since the preindustrial period, cross-border trade has been prevalent between continents. In the 16th century, Europeans started to get involved in global trade network. The Portuguese were the first to set up a sea route from Europe to the East. This way, they didn't have to pay high import duties on commodities to the Middle East. This shows that tariffs and transportation issues were the main obstacles to cross-border trade. Later, the British and Dutch dominated international trade by controlling imports and exports in Southeast Asia. From 1600 to 1800, trade between Europe and South Asia grew significantly, but it went down after the countries got their independence (Auboin and Meier-Ewert, 2003).

In many parts of Africa, structural adjustment has led to a rise in cross-border trade, especially among unemployed young people, women, and people who initially worked in the formal sector but lost their jobs because of budget reforms (Brown, 2007). Although cross-border trade (CBT) is considered "illegal" in many countries, the goods are not necessarily illegal. They are clean commodities, but often it facilitates trade in illegal goods such as drugs and weapons, like in the Horn of Africa. However, the distinction between formal and informal in CBT is typically unclear, as informal trade can eventually be sold through formal retail shops, and formal trade can generate significant local taxes and unofficial payments.

Cross-border trade between Nigeria and Cameroon has been on for a long time. Before colonialism, people traded goods for goods without registering it (Bonchuk, 2010). After independence, African states erected borders and enactment of tariffs and other trade barriers that impeded informal economic activity. Haji and Semboja (2009) observe that, low-income people were often involved in informal cross-border trade. This observation is what has fueled interest in the impact of ICBT between Nigeria and Cameroon (Gunning, 2001).

Background to Informal Cross Border Trade and its Impact on Nigeria-Cameroon Foreign Relations.

A number of researchers have studied the origins of foreign relations, often attributing it to cultural, religious, historical ties, proximity, among others. Berkovitch et al. (2007) argue that kinship networks significantly impact foreign relations. Informal cross-border trade in Africa, facilitated through kinship ties, both replaces and undermines formal institutions. In Africa, loyalty to traditional authority is stronger than to modern statehood. Kinship groups predate European colonization of Africa and the subsequent establishment of modern states modelled along western traditions. They have changed to fit the economic conditions of colonial and post-colonial times. At the same time, Clift (2004) talks about the good things about informal cross-border trade and says that social and religious ties between people in the same group enhances them to trade in a sophisticated and flexible way. Property rights and contracts are kept by group solidarity, not by formal rules. Beliefs and religious ties are important in keeping an ethnic group together. This helps people keep their end of contracts and share information without official paperwork. Fletcher (2010) on the other hand, holds that informal cross-border trade is an important part of international trade, it lowers the costs of transactions during business.

While analysing ossperationalization of ethnic groups, Harris (2007) believes that several ethnic groups operate within the same country but in different regions. These ethnic groups often play a major role in Cross Border Trade as, is the case for the Mourides in Senegal and Gambia, the Hausa in Eastern Nigeria and Benin, the Igbo in Cameroon and southern Nigeria, the Burji in Northern Nigeria and Ethiopia, the Luhya, Karamoja, Kalenjin, the Luo, Turkana, in Kenya and Uganda, the Kuria, Maasai in Kenya and Tanzania, the Somali in northern Kenya and greater Somalia among others. This has overly contributed to the shaping of foreign relations between and among the different countries sharing same ethnic groupings. Menski (2006) talks about how family ties help connect markets and shape foreign relations between countries. He says that the price of millet and cowpeas doesn't change when they are traded across the border between Niger and Nigeria, as long as the trade happens between Hausa markets. But there is a price difference between Hausa and non-Hausa markets, and Hausa and Zarma regions in Niger have a statistically price difference.

Devling (2011) says that a number of countries have seen the benefits of making it easier to trade across borders and have pushed for fewer barriers. They have also used the One Stop Border Post (OSBP) method to make it easier for people and goods to move across borders. Where this strategy has been used, it has helped the economy, foreign policy, and enforcement of customs laws. But for it to work, all parties involved in managing the border must support it (Mbogoro, 2011). This explains why Akech (2012) says that trade between African countries has been low and inconsistent for more than 30 years, (particularly between 1980 and 2010). Ahmad and Schroeder (2003) found that ICBT in Africa is thriving Africa.

Bonchuk, (2010) is of the view that both in the ECOWAS and the world, Nigeria's biggest trading partner is Cameroon. This is true for both agricultural and industrial goods. Ogalo (2010) observes that the government might not be able to make good policies about ICBT if there are no statistics about it. Pearce and Robinson (2007) also hold that, ICBT seems to be a big part of regional trade across borders in East Africa in particular and generally in Africa. On the other hand, informal trade can lead to corruption and cause the government to lose money. Because the trade is informal, there isn't much specialization among traders, which leads to high transaction costs (Amani, 2007). According to Schneider (2010), cross-border trade offers the greatest commercial and financial foundation for local trade. Local industry and agricultural markets might expand swiftly with the correct governmental framework as well.

The respondents were tasked to give their opinion on the Background of Informal Trade on the Nigeria-Cameroon Foreign Relations. First, all the respondents living along the border agreed that there have been Informal Cross Border Trade which has had a strong impact on the Nigeria-Cameroon Foreign Relations for Centuries now and that from precolonial ties, Old Calabar in (Nigeria) and Duala in (Cameroon) were the foci that provided sea lanes for this trade. The respondents living along the border stated that the cross-river region with south west Cameroon, have locational advantages in the trade across borders. They hold that development of twin towns along the border has created centres or camouflage for miscreants, criminals, human traffickers, and smugglers. Interestingly, the study notes that border markets and twin towns are inhibited by nationals of both states who transact their businesses without inhibition. They are hold them being the reason for the emergence of a steady Informal Cross

Border Trade between Nigeria and Cameroon. They stated that ICBT provides livelihoods and income for individuals and communities in towns along the border and surrounding areas, but it also poses challenges such as security concerns, smuggling, and the potential for tax avoidance. 63 respondents equivalent to 24.2% of the sample population are in agreement with this view. Lately, the Nigerian and Cameroon governments have made efforts to formalize cross-border trade in towns along the border, including the implementation of measures to improve border management and enhance security. The formalization of cross-border trade in these towns is expected to improve the economic and political relations between Nigeria and Cameroon, as well as enhance regional economic integration and trade cooperation in the Economic Community of West African States (ECOWAS). They believe that this kind of interaction will influence Nigeria-Cameroon foreign relations.

All the official respondents confirmed this view. The respondents also indicated that ICBT has been ongoing for decades and that it has been on the rise. They believe that ICBT is in its maturity stages citing the kind of good bilateral relations that has been existing between the two countries. Particularly, the history of Cameroon is very much fused with Nigeria playing a primary role sometimes influencing Anglophone Cameroon in the West. Others believe that ICBT has gone too far because it has been on for decades, has been passed down from one government and/or generation to the next in the border communities. These respondents hold both Nigeria and Cameroon governments to account governments for accepting and nurturing co-existence through ICBT.

Commodities of Informal Cross Border Trade on the Nigeria-Cameroon Border.

In 1972, the International Labour Organisation (ILO) created the term “informal economy” and established a definition that has been widely adopted. Similarly, Olarreaga (2003) points out that this “marginal sector” can be profitable, efficient, and have considerable impact on neighbouring countries' foreign policy. The ILO created a list of characteristics of the informal economy, including how simple it is to enter, how tiny the enterprises are, who controls them, and how labour-intensive the technology is, in order to determine what these rules and norms are. Other characteristics include activities and businesses that are not regulated by the official wage labour system, activities with a low productivity that do not meet formal licensing and taxation requirements, and activities that are not included in a countries gross domestic product. Subramanian & Matthijs (2007) say that the rules that govern informal deals come from a larger social context; connections, family ties, local roots, and ethnicity.

Porto (2005) talked about how important networks are to the success of informal cross-border trade. This kind of trade is called “informal” or “unofficial” trade. CBT examines the activity's magnitude and spatial components. For instance, a Nigerian merchant might send a small shipment of food supplies to Cameroon on bicycle and motorcycles, while larger Nigerian traders might send similar agricultural and industrial goods to Cameroon for export. These traders employ technologies like mobile radios and emails. They also bring back a sizable quantity of imported food on their return journey, which will be sold in the respective points of return (Bonchuk, 2010). ICBT in these towns is characterized by the exchange of goods and services through unofficial channels, without government regulation or oversight.

These traders employ technologies like mobile radios and emails regarding the market. They also bring back a sizable quantity of imported food on their return journey, which will be sold in the respective points of return. Governments have recently adopted laws that permit small-scale (low value) CBT within specific distances of the border as a result of their awareness of the scale disparity of CBT (Stern, 2005; Mansour, 2007., Bonchuk, 2010). The informal trade in these towns is driven by factors such as the proximity to the border, weak governance, and the lack of formal employment opportunities. It was conducted along the Nigeria-Cameroon border. Also, unfavourable agricultural and macroeconomic policies implemented by African countries are most likely to blame for the phenomena of unauthorized trading across borders. The main reasons for illegal, unreported cross-border trade are the failure to get rid of all official trade barriers and the poor implementation of structural adjustment programs (Oduor, 2007).

In Africa, there are three types of informal cross-border trade (ICBT): businesses that aren't registered and don't follow any rules, businesses that are registered but don't pay many trade-related taxes or fees, and businesses that are registered but partially break the law by using illegal methods (Wilson, 2007). Generally, in West Africa, ICBT goods include rice, industrial goods, cash crops, forest products among others. They also include goods delivered in little or big quantities by people on foot, motorcycles, bicycles, or by land, sea, or air (Yaya and Meagher, 2011). Additionally, some illicit ICBT participants compete with trade in food and cash crops in Africa by disseminating unlawful commodities and services (Yaya and Meagher, 2011). For example, the difficulty Sierra Leone has had implementing the rice export prohibition that has been in effect since 2011 as a result of unauthorized cross-border flows is one illustration of this (Yaya and Meagher, 2011). Additionally, regardless of

boundaries, cocoa, and coffee from Côte d'Ivoire frequently arrive at the market with the highest costs (Yaya and Meagher, 2011).

Specifically, commodities traded in ICBT along Nigeria-Cameroon border include forest products such as timber, firewood and charcoal, agricultural and manufactured goods. Agricultural goods include cereals, beans, cow peas, cabbages, cassava, groundnuts, fish, tomatoes, ripe bananas, Irish potatoes, yams, and carrots (food commodities). The driving force for exportation of these products was linked to the high prices offered as a result of the high demand and scarcity of food commodities, poor soils and harsh climatic conditions that are not conducive to agricultural production. At the same time hawking of second hand shoes and clothes, plastic wares, radios, watches, padlocks, were equally mentioned as commodities of ICBT. On the other side of the border, a male participant who operates an eating place at the border post remarked that: *Most of the Nigerian border population crosses and eats from Cameroon because of their limited food options.* (Male Field participant, Cameroon)

The manufactured goods traded include crafts, cooking oil, salt, paraffin, wheat flour, plastic wares, electronic goods, second-hand clothes, soap, mattresses, perfumes, polyethene bags, leather products, electronic goods, building materials, bicycle parts, drinks, human and veterinary drugs, and general merchandise. The importation of these commodities was linked to the low cost prices in the countries of manufacture and high profit margins when sold in Cameroon. A female Field participant is captured to have said: *„I can get paraffin from Nigeria, a child's clothing and a man's shirt which is not the case in Cameroon.*

Modes of Movement used in Informal Trade on the Nigeria-Cameroon Border.

Studies have demonstrated the importance of informal cross-border trade to the economies of developing nations, including Nigeria and Cameroon. ICBT enables nations to trade commodities and services, while also earning people a living. Although small-scale traders dominate informal cross-border trade between Nigeria and Cameroon, it is hard to evaluate the amount and types of commodities moved. Numerous studies have explored the modes of transportation used for informal cross-border trade, including road, rail, and water transport. Both road and road transportation are the most popular mode of transportation for illegitimate cross-border trade in Nigeria and Cameroon. The utilization of alternative transportation methods, such as rail, varies according to the type of commodity exchanged and location of the border (Bonchuk, 2010). The costs and benefits of using each mode of transportation are significant factors that influence their choice in informal cross-border trade. For example, road transport is often preferred due to its accessibility and affordability, while water transport is more expensive but more efficient for large-scale trade. The choice of transportation also depends on location of the border and the presence of other infrastructure like roads and ports.

Ngiba, Dickinson, and Whittaker (2009) look at the situation of fruit and vegetable sellers in Ekurhuleni, South Africa's Natsalspruit Market. They are interested in how business works between the formal sector and informal traders. The study analyses the networks of traders in the informal market, including their relationships with suppliers and customers in the formal sector. The study provides insights into the functioning of informal trade networks and the factors that influence their operations, which could be relevant to understanding the modes of transportation used in informal cross-border trade between Nigeria and Cameroon.

Khan et al., (2005) focus on quantifying informal trade between Pakistan and India and its contribution to the economies of both countries. In terms of means of transportation, the study mentions that informal trade is mostly conducted through land routes, where goods are transported by vehicles such as trucks and buses, and through sea routes, where goods are transported by boats and ships. Further, it is observed that, informal trade is a low-cost option for traders and is preferred over formal trade due to the bureaucratic procedures and regulations involved in formal trade.

Bouet, & Glauber (2018) discuss the means of transport used in informal cross-border trade in Africa. They point out that, informal trade is often carried out through unofficial border crossings, which may be unguarded or staffed by residents. On the other hand, Andersson (2006) examines the informal cross-border trade in Africa, focusing on transportation. The study highlights the use of informal means of transportation such as bicycles, motorcycles, and trucks for movement of goods across borders and that, the high cost of official transportation, often encourages traders to adopt informal means of transportation. But it is important to note that, personal relationships and networks are important in choosing transportation methods. Traders regularly rely on trusted people to transport goods as is the case between Nigeria and Cameroon.

Ogalo (2010) discusses the means of transportation used in informal cross-border trade in the East African Community (EAC). The author notes that road and rail transport are the most common modes of transport used

in informal cross-border trade in the EAC region, particularly through informal border posts. The use of these modes of transportation is driven by the high cost of using formal border posts and the need for speed and flexibility in transporting goods.

Peberdy & Crush (2001) provide a detailed discussion of the means of transportation used in informal cross-border trade along the Maputo Corridor. According to the authors, informal cross-border traders often use multiple modes of transportation to move goods from one country to another. The most prevalent mode of transportation is the road, which is commonly employed for the transportation of smaller quantities of goods. Road transport is preferred because it is relatively cheap, convenient, and can be used to reach remote areas.

The study by Chirisa (2013) examines women involvement in informal trade in Ruwa, a town in Zimbabwe. The author discusses the various means of transportation used by the informal traders to transport goods across the border. It is noted that, the most commonly used means of transportation is the use of personal vehicles, such as cars, vans, and motorcycles. This mode of transportation is preferred as it provides traders with the flexibility and convenience to transport their goods at their own pace. Additionally, the author notes that, some traders also use public transport, such as buses, to transport goods. This mode of transportation is preferred as it is relatively cheaper and more affordable. The author also highlights that, despite the challenges posed by the use of public transport, such as security risks and delays, it remains a popular means of transportation among informal traders, particularly those who trade in smaller volumes of goods.

The study by Nkendah (2013) focuses on the ICBT routes and the commodities being traded. The author notes that the means of transportation used in this trade are diverse, including personal vehicles, taxis, minibuses, motorcycles, and bicycles. The author further mentions that ICBT is often facilitated through the use of intermediaries, such as traders and transporters, who specialize in cross-border trade and have established relationships with counterparts on both sides of the border. These intermediaries are essential to the functioning of ICBT, as they provide a critical link between the various actors involved, including producers, traders, and consumers.

Diverse ICBT activities were reported to be conducted by border communities between Nigeria and Cameroon. Trading in agricultural and manufactured goods across the border was reported to be the major ICBT activity. This is mainly carried out between 5.00 am and 9.00 am and from 3.00 pm to 9.00 pm. However, the peak times differed among border posts and individual traders. This was echoed by one male FGD participant who observed that: "*the choice of time depends on how well it works for individual traders*" (Field respondent/ participant). Traders reported the use of informal routes due to restrictions at the boarder points in regard to certain commodities. These commodities mainly included those that fetched high returns and attracted many customers. Seasonality was reported to be the key determinant for the types and quantities of commodities in ICBT. This explains the demand and supply forces on either side of the border as one of the informant had this to say: "*Seasonality is a key determinant of the types and quantities of commodities traded. For example, during times of food scarcity trucks are taken to Nigeria while beans are brought in to Cameroon*" (Customs Official).

In the study, there is emphasis of the significance of unofficial trade, its effect on the national economy, and the multiple difficulties it faces, such as inadequate infrastructure, protracted border delays, and high transaction costs (Field Respondent). The study found that *the majority of informal trade is conducted through informal and unregistered cross-border trade routes, typically by small traders who are unable to afford the formal customs procedures. The use of other modes of transport, such as air and sea, is limited due to the lack of infrastructure and high costs* (Field Respondent).

The respondents also hold that; *informal trade is a low-cost option for traders and is preferred over formal trade due to the bureaucratic procedures and regulations involved in formal trade. It is often carried out through unofficial border crossings, which may be unguarded or staffed by residents. As a result, informal traders often rely on informal transport systems, such as shared taxis, minivans, and motorcycles* (Field Respondent). In terms of transportation, the respondents highlight *the use of informal means of transportation such as bicycles, motorcycles, and trucks for the movement of goods across borders... the high cost of official transportation, which often encourages traders to adopt informal means of transportation* (Field Respondent).

The study also notes that personal relationships and networks are important in choosing transportation methods in the ICBT between Nigeria and Cameroon. Traders regularly rely on trusted people to transport goods. The use of informal means of transportation is seen as a way to avoid the costs and restrictions associated with formal border crossings. The most commonly used means of transportation is the use of personal vehicles, such as cars,

vans, and motorcycles. This mode of transportation is preferred as it provides traders with the flexibility and convenience to transport their goods at their own pace. Additionally, the respondents note that; *some traders also use public transport, such as buses, to transport their goods across the border. This mode of transportation is preferred as it is relatively cheaper and more affordable* (Field Respondent).

The study also holds that, despite challenges posed by the use of public transport, such as security risks and delays, it remains a popular means of transportation among informal traders between Nigeria and Cameroon, particularly those who trade in smaller volumes of goods (Field Respondent). On the ICBT routes and the commodities being traded the respondent notes that; *the means of transportation used in this trade are diverse, including personal vehicles, taxis, minibuses, motorcycles, and bicycles* (Field Respondent). The respondent further mentions that; *ICBT is often facilitated by the use of intermediaries, such as traders and transporters, who specialize in cross-border trade and have established relationships with counterparts on both sides of the border. These intermediaries are essential to the functioning of ICBT, as they provide a critical link between the various actors involved, including producers, traders, and consumers* (Field Respondent).

Another respondent observes that; *informal trade routes in CBT are often determined by the ease of transportation, the proximity of markets, and the availability of commodities. The choice of transportation used in informal cross-border trade is often influenced by the volume and value of the commodities being traded, as well as the costs* (Field Respondent).

The study further holds that, the costs of transportation, including fuel, tolls, and bribes, have a significant impact on the competitiveness of ICBT, and can have a major impact on the volume and frequency of trade.

Beneficiaries of Informal Cross Border Trade on the Nigeria-Cameroon Border

The major beneficiaries of ICBT were reported to be women and the physically challenged. Women were reported to have benefited by supporting education of their children as well as providing for their households. One female trader noted that: *as for me I feed my children as well as dress them* (Female Field participant). Women have also been securing and servicing loans through engagement in ICBT. Many women testified that they have acquired plots of land and constructed commercial houses from the proceeds of ICBT. One female participant indeed noted that: *for me I service the loan I got and I have been servicing it adequately. I have also bought a plot of land where I intend to settle with my children during my old age.* (Female Participant).

The second group of beneficiaries are the physically challenged. They transact their trade without any interference from customs officials and any other government agencies. Besides, they have also organized themselves into groups through which they access financial support as well as access to other resources.

The youth on the other hand were ranked third in benefiting in ICBT but had not registered any significant achievement because they spend their earnings on social enjoyments such as discos, playing cards, drinking, and promiscuity. One elderly male participant noted that: *Our youths love quick and soft life*"(Male participant). On the other hand, men were reported to benefit less in terms of development since they spend much on polygamous unions, drinking and are weak hearted in accessing and utilizing loans. As for the children, they have minimal involvement in ICBT. The few children in ICBT were mainly reported to be errant children who had escaped from their parents just to earn money. It was reported that these children keep waiting at the gate for the physically challenged with wheel chairs to provide support services by pushing them while transporting their goods across the border points. The children pick grains from produce markets, accumulate the quantities and sell them across the border. One elderly woman for example noted that: *children save every coin they get and accumulate big chunks of money which they carry back to their homes.* "Elderly woman, Community). Besides, children who are schooling and staying with their parents were reportedly to be periodically involved in ICBT during holidays. They do with the consent of their parents in an effort to raise school fees.

Implications of Informal Cross Border Trade between Nigeria and Cameroon

Informal cross border trade is an integral position in the survival and basic economic arrangement of humankind. The informal sector has been described as the unregulated and mostly unregistered sector of the economy. Accordingly, the trade is operated by artisans, peasants and other micro entrepreneurs, within the economy. Regardless of the level of state involvement in the economy, informal cross border trade provides employment for the unemployed and underemployed (Borai, 2013). It also plays an important role in ensuring food security by moving agricultural produce and other foodstuffs across borders where they are needed the most in both Nigeria and Cameroon. Therefore, ICBT has immensely contributed to food security, employment and income in

the two countries. As the findings in the study indicate, many people are engaged in this activity in response to unemployment.

Although this study did not set out to assess the number of people employed in ICBT, it was evident that many individuals of both sexes were engaged in this activity. This trend was necessitated mainly by the structural adjustment programs taking place in the two countries and that a small amount of initial capital required is a good reason that attracts many people to engage in ICBT. Equally important is the fact that ICBT activities are, in general, labor intensive. For example, the activities of transporting across the border small quantities of merchandise (mainly as a strategy to avoid confiscation) requires a large labor force before the goods are reassembled on the other side of the border for onward transportation. According to the study findings ICBT trade plays a positive role on poverty alleviation, provides a bond for communities along the border and influence foreign policy formulation. This role is important, particularly in view of the fact that ICBT significantly fosters positive relations between communities across borders, countries and foreign policy, so to speak.

One of the key factors contributing to ICBT is the interaction and mutual reinforcement between the so called labor-supply push and low-income-demand pull (Akech, 2012). Within the context of the present situation on the Nigeria-Cameroon border, what is referred to as the labor-supply push is characterized by: high unemployment, resulting in an increasingly cheap labor supply; and the search for alternative or complementary income earning opportunities. This has powerfully underscored the notion that, ethnic identities along the border and, in this case, Nigeria and Cameroon border, influences relations between countries. On the whole, through trade exchanges, ICBT shapes foreign relations between states as is the case between Nigeria and Cameroon. Despite its significant contributions, cross-border trade remains largely an informal sector and the voices of the traders are seldom heard. The informal actors are commonly powerless and voiceless.

4. CONCLUSIONS AND WAY FORWARD

The study revealed that ICBT is a major source of livelihood for people living at border posts, while for government and other institutions, it is as an illegal activity/disguised smuggling and a source of unfair competition thus, loss of revenue. Several reasons were advanced for engaging in ICBT, including; employment and generation of income thus a major source of livelihood for people's survival. The political stability and good relations existing between the Nigerians and Cameroonians also facilitated ICBT. Besides, it was mentioned that informal traders have a tendency to evade high taxes and other customs levies and bureaucratic licensing. It was also observed that, ICBT is mainly dominated by women and the youth.

The study reported several ICBT activities. However, trading in agricultural and manufactured goods across the border was the major activity. Informal routes constituted the major modes of transport of goods. It was also observed that, seasonality determined the types and quantities of commodities in ICBT. The study reported that transportation of goods was mainly by carts, bicycles, vehicles, head and by hand. On how ICBT is organized, the study found that traders mainly work on their own while others mobilize into groups. ICBT transactions are cash based. Main beneficiaries of ICBT were reported to be women. But it was noted that, the more men earn from ICBT, the greater their involvement in polygamous unions because of the expected daily earnings. The youths have not benefited much from ICBT because of their uncontrollable behaviour of extravagancy, overdrinking, promiscuity and sometimes were robbed due to movements at night.

The survey holds that; informal cross border trade contributes immensely to household welfare and the country's economic growth. Designing appropriate policies with adequate mobilization of informal traders could enhance government revenue and tap the benefits of the informal trade sector. Specific policies that acknowledge and encourage formalization of ICBT activities could exploit the comparative and competitive advantage traders enjoy in the region. This could impact positively on the local food security situation and attract investments; both key in fogging good foreign relations between neighbouring states. By recognizing ICBT rather than discouraging it, governments should expand revenues through customs and tax collection at borders and market towns, and improve the welfare of its citizens at the same time. Also, the role played by ICBT in terms of income, employment, and market to food producers could be substantial. Opportunities offered through cross-border markets should be explored as these markets provide an important outlet for producers who may not have access to domestic markets due to poor infrastructure and internal marketing inefficiencies.

Similarly, both Nigeria and Cameroon government should participate in guiding, monitoring and organization of the informal trade sector. According the survey results, the common problems encountered in transacting informal trade included; visa restrictions, duties and taxes, licensing, access to finance for trade and lack of uniformity in customs and immigration regulations within ECOWAS, which requires a multifaceted approach to minimize.

Governments and private sector involvement in providing appropriate information and financial services could spur informal trade. In that case, informal traders need market information, financial services, and understanding their role in ECOWAS regional integration processes. Physically challenged

Generally, the role of trade in international relations is a crucial component, exerting significant influence on economic, security, and political relations between countries. The findings of this research will provide valuable information to policymakers in Nigeria, Cameroon, and ECOWAS partner states, and contribute to the development of Nigeria-Cameroon foreign policy. The study will also be useful to border management agencies and other public sector managers, by shedding light on the impact of ICBT and increase an understanding on its impact on Nigeria-Cameroon foreign relations. Further, the study will provide recommendations on how to formalize cross-border trade and support its success through technical assistance and resources. It will also provide valuable information for academic research and a source for further studies on the impact of cross border trade on foreign policy.

REFERENCES

1. Abdulai, D. (2007). Attracting Foreign Direct Investment for Growth and Development in Sub-Saharan Africa: Policy Options and Strategic Alternatives" 37(2) Afri Dev.
2. Ackello-Ogutu, C. and Echessah P. 2010. Unrecorded cross-border trade between Nigeria and Cameroun: Implications for food security. A USAID SD Publication Series; Office of Sustainable Development Bureau for Africa. Technical Paper No. 59. Washington, DC: USAID.
3. Ackello-ogutu, Chris (2010), "Unrecorded Cross-Border Trade between Nigeria and Cameroun" Implications for Food Security. SD Publication Series; Office of Sustainable Development Bureau for Africa.
4. Amani, H. (2007). „Challenges of Regional Integration for Tanzania and the Role of Research Journal of Business Research, 55, 301-310.
5. Andersson, J. A. (2006). Informal moves, informal markets: International migrants and traders from Mzimba Region, Malawi. African affairs, 105(420), 375-397.
6. Anghuie, A, Imperialism, Sovereignty, and the Making of International Law (Cambridge, CUP 2004).
7. Berkovitch, E, Israel, R. & Zender, J. (2007). An optimal Insolvency Law and Firm Specific Investments 41 Eur Econ Rev 487
8. Bonchuk, M.O. 2004 "European Trans boundary, Paradigm: Its Relevance to the Nigeria- Cameroon Border Integration. Nigerian Journal of Social Development Issues, Vo. 2. No. 1 January.
9. Bonchuk, M.O. (2010), Cross-Border Trade: An Analysis of Trade and Market Integration Along the Nigeria-Cameroon Borderlands.
10. Borai, R. (2013), Cross-Border Corporate Insolvency: A Modest Proposal for an Enhanced International Approach" PhD Thesis, Queen Mary College, University of London.
11. Bouet, A., Pace, K., & Glauber, J. W. (2018). Informal cross-border trade in Africa: How much? Why? And what impact? (Vol. 1783). Intl Food Policy Res Inst.
12. Chirisa, I. (2013). Peri-urban informal trading in Zimbabwe: A study of women in the sector (WIIS) in Ruwa. Journal Global and Science, 1(1), 23-39.
13. Clift, J. (2004). The UNCITRAL Model Law on Cross-Border Insolvency- A Legislative Framework to Facilitate Coordination and Cooperation in Cross-Border Insolvency" 12 Tul J Int'l & Comp L 307, 322 - 346.
14. Fletcher, I. (2010) „Maintaining the Momentum: The Continuing Quest for Global, Standards and Principles to Govern Cross-border Insolvency" 32 Brook J Int'l L.
15. Hummels, D. (2006), Benefiting from Globalisation: Transport Sector Contribution and Policy Challenges, Topic I, Global Trends in Trade and Transportation, paper prepared for the ECMT/OECD 17th International Symposium on Theory and Practice in Transport Economics and Policy, Berlin.
16. Khan, S. R., Yusuf, M., Bokhari, S., & Aziz, S. (2005). Quantifying informal trade between Pakistan and India. ZF Naqvi, and P. Schuler, The Challenges and Potential of Pakistan India Trade.
17. Ngiba, C. N., Dickinson, D., & Whittaker, L. (2009). Dynamics of trade between the formal sector and informal traders: the case of fruit and vegetable sellers at Natalspruit market, Ekurhuleni:
 - a. networks. South African Journal of Economic and Management Sciences, 12(4), 462-474.
18. Nkendah, R. (2013). Estimating the informal cross-border trade of agricultural and horticultural commodities between Cameroon and its CEMAC neighbours. Food Policy, 41, 133-144.
19. Ogalo, V. (2010). Informal cross-border trade in EAC: Implications for regional integration and development. Research Paper: CUTS Geneva Resource Centre.
20. Ogutu C.O. Echessah P.N. 2012. "Unrecorded Cross-Border Trade between Tanzania and her Neighbour: Implications for Food Security (19-23)". Tanzania.

21. Peberdy, S., & Crush, J. (2001). Invisible Trade, Invisible Travellers: The Maputo Corridor Spatial Development Initiative and Informal Cross-border Trading. *South African Geographical Journal*, 83(2), 115-123.