



POLAC INTERNATIONAL JOURNAL OF ECONS & MGT SCIENCE (PIJEMS)  
DEPARTMENT OF ECONOMICS & MANAGEMENT SCIENCE  
NIGERIA POLICE ACADEMY, WUDIL-KANO



## AN ASSESSMENT OF BILATERAL ECONOMIC RELATIONS BETWEEN NIGERIA AND NIGER REPUBLIC (2015-2020)

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### Abstract

*This study examined the bilateral economic relations between Nigeria and Niger Republic 2015- 2020, the level of regional integration between the countries Nigeria and Niger; examines the challenges confronting these engagements. This study employed a qualitative method. A purposive sampling technique was used in selecting the key informants such as officials from the Ministry of External Affairs, Economic Community of West African States, and office in Abuja, Niger Embassy office in Kano and Abuja and Ministry of Information. The data collected from the field was analysed based on thematic content analysis according to the research questions. The study finding revealed that the economic trade relations between Nigeria and Niger involved energy, agricultural, education, and transportation. The trade contributed toward economic integration between Nigeria and Niger. The study revealed that Nigeria and Niger are intimate because of the historic economic ties existing between the two countries which include the socio-economic interaction between Katsina and Maradi. The study reveals that the challenges confronting Nigeria and Niger's economic relation include trade between Nigeria and Niger that led to the destruction of local industries due to the high rate of smuggling. Several clashes also occurred between the smugglers and their cohorts. The study recommended that Nigeria and Niger should intensify the joint border patrols to tackle smuggling and insurgency affecting the two countries and equally strengthening the activities of international organizations such as ECOWAS and NEPAD should continue involve in creating regional integration between Nigeria, Niger and other neighboring countries.*

**Keywords:** Bilateral Relation, Economics, Trade, Agriculture, Transportation, Energy, Education

### Introduction

Bilateral economic relations among nations are becoming gradually important in a rapidly changing world, where foreign affairs and global issues among states have become more obvious within the international system. Throughout human history, people acquired knowledge from their environment and

were influenced by immediate nations. The nation learned and developed their lives by acquiring skills and modes of life that suit them, (Akindele, 2016).

Different nations have disparate of demographics history and knowledge gained from each other. The cultural diversity between countries has its consequence on trade in a complex way. Furthermore, trade among

nations has its special effects on culture (Abiodun 2020). Correspondingly, there is a high possibility that nations with common cultural attributes to the trade more. Although trade is built on comparative advantage, subsequently with diverse cultures, higher trading may be possible. The benefits from trade could differ from country to country based on its national welfare, and economic, political, regional and strategic state of affairs, (Akindele, 2016).

Countries in Europe tend to agree upon mutual free-trade agreements when multilateral liberalization is unattainable. Since the establishment of diplomatic relations between Germany and Russia on 26 December 1991, the economic ties between the two countries have become constant. Today, Germany's most important trade partner of Russia in Western Europe. Its share in the foreign trade of Russia - is 15% which implies that the share of Russia in the foreign trade of Germany is about 2 percent. In 2019, German firms exported goods to Russia by 11.4 billion euros, 10.6% more than in 2021. At the same time, imports from Russia decreased by 10.5% to € 13 billion (Abiodun et al., 2023).

The agreement on the restructuring of the Russian debt of Germany was signed in July 2000 in Berlin. The validity period is up to 2016, and part of the debt is deferred until 2020. Over the past 10 years, German businesses have invested in the Russian economy 8 billion euros. The financing of the German import of machinery and equipment for a total amount of up to € 250 million. An important place in bilateral economic and trade relations is the annual governmental consultations held in 1998 (Ramiro, 2022). The most important item of German exports is machinery, automobiles, and spare parts. In Russian supplies to Germany are dominated by energy - oil and gas and products of the steel industry, (Thomas, 2020).

Germany is the major economic partner of Russia among the EU countries and in most cases plays the role of the window to Europe. Germany is the most important foreign trade partner of Russia. In terms of volume of trade in 2019 was characterized by significant growth rates of +37, 7% to the level € 53, 55

billion. Russia exports primarily raw materials, and despite some problems, for many years Russia has been a reliable supplier of oil and gas to Germany and the EU. For Germany, Russia is an important supplier of energy. The German economy primarily exports automobiles, machines, building materials, furniture, consumer goods, and agricultural products (Hamulak, 2016).

Moreover, In Asia, Japan and China agreed that their bilateral relationship is one of their most important reciprocal linkages and that Japan and China now have a considerable impact on and bear great responsibility for peace, stability, and progress in the Asia-Pacific region and throughout the world. They, too, realized that the only way for the two countries to promote long-term peace and cooperation was to participate. The two sides settled to comprehensively advance a “commonly advantageous relationship based on a common key interface and to realize the respectable goals of quiet coexistence, companionship for eras, commonly useful participation, and common advancement for their two nations (Haas, 2018).

Japan and China agreed to lock in, particularly within the taking after ranges of participation, which have major clout in the global economy and can contribute to the long-term health of the global economy. Carry out participation with specific needs on vitality and the environment, recognizing that such cooperation is an obligation to future generations and the global community. To increase broadly beneficial participation and broadly beneficial benefits in a variety of areas, including trade, speculation, data and communication innovation, nourishment and item security, intellectual property rights assurance, business environment, farming, ranger service, and fishing businesses, transportation and tourism, water, and healthcare.

Promoting trans-border cooperation for the economic and social progress of borderland dwellers has always been at the forefront of the African Union Border Programme (AUBP) primarily aimed at unity and integrating Africa through borders thereby building

bridges of peace, development and security. The Cross Border Cooperation (CBC) initiative does not only enhance good neighbourliness, through the provision of infrastructure among other things but also serves as a mechanism for peaceful and negotiated settlement of border conflicts through bilateral relations such as the Nigeria-Niger Joint Commission for Cooperation (NNJCC) which was formed in line with the Cross Border Cooperation (CBC) initiative as exemplified in the integration module. It also proffers viable options for the transformation of border areas into zones of exchange and cooperation for peaceful co-existence and transnational development. (Mohammed 2022).

Consequently, the Economic trade between Nigeria and the Republic of Niger goes back centuries and concentrates mainly on agricultural goods, petroleum, textile and manufactured products. The intensive trading between both Countries focuses on livestock from Niger and manufactured products from Nigeria. Cereals remain a stable food product in West Africa, especially in Niger and the Sahel region where it represents between 60 to 90% of the food intake (Ibrahim, 2015).

Nigeria is the largest producer of cereal in the West African region, accounting for about 59% of the total annual output while the Republic of Niger has the highest cereal consumption per number of inhabitants in West Africa. In terms of livestock trade. The reverse is the case with Niger supplying most of Nigeria's livestock imports Republic of Niger (Asiwaju, 2019). The Republic of Niger has a huge advantage because of its huge land mass for feeding, quantity of livestock produced and cheap transportation costs into Nigeria. In addition, Livestock earnings account for 10% of GDP and 20% of export revenue making it an essential part of Niger's economy. However, there are still some challenges for Niger because of fluctuations in Naira/CFA, and strong competition from the neighbouring countries of Mali, Burkina Faso and Chad (Ibrahim, 2015).

The main obstacle to effective trade within most regional economic commissions is political will, as

most countries resist liberalization and are more motivated by protectionist policies to protect trade. However, Nigeria and the Republic of Niger have some differences which further impact trade relations. In the nineteenth century, under Anglophone-Francophone colonial rule, demarcations were made on the Nigerian-Niger Border separating people who historically had a shared language and socio-cultural ties. The border that emerged in 1906 divided the Hausa, Fulani, and Kanuri ethnic groups between the two countries. This led to the institution of the English and French languages on both sides of the Border creating educational, political, and cultural realignments and further splitting connections between communities. Rival French and English interests meant that during much of the colonial period, trade and other social interactions were discouraged. Nigeria and the Republic of Niger have always had strong historical and social ties. The towns and cities between Northern Nigeria and Southern Niger have shared languages and customs, Hausa being the prevalent language spoken in the area. Furthermore, they share 1,500km of the common border and are often related by family, religious and lineage links (Aker et al., 2019).

These shared values have inevitably led to the trans-Saharan trade which has lasted right from medieval times. Furthermore, Nigerian States such as Kano and Katsina have acted as a southern terminus of trade networks which sustain much of the Niger Republic's economy. Nigeria benefits from the trade and agricultural sales particularly Nigerien cattle taken to Nigerian markets, while Niger's most direct routes to overseas trade are through Nigeria's land transport systems and Nigeria's southern Sea Ports.

Similarly, to cement bilateral relations, the two countries established the Nigeria-Niger Joint Commission for Cooperation (NNJCC) in 1971 to further economic integration and cement trade relations. The NNJCC has through various initiatives sought to establish economic integration. Despite common Hausa language and cultural ties, the two colonial powers discouraged formal trade which led to informal trade. Trade between Niger and Nigeria is favoured by

Niger's geographical situation Niger, a land-locked country dependent on neighbouring countries for food supplies, shares a long border with Nigeria, as well as complementary agro-pastoral activities and socio-cultural factors. The Hausa people on both sides of the border live in interdependent closeness by their shared culture, language, social and religious values. It is against this background that the study intends to assess the bilateral economic relations between Nigeria and Niger Republic 2015-2020.

Currently, bilateral Economic relations between China and the United States of America are not in favour of, they have an Economic relations problem as a result United States' national interest, moreover another bilateral relations problem between Russia and the United States America, is disorder because of the national interest, Consequently, theoretically assumed that lawmakers and political leaders do make decisions based on covert and overt sets of moral values that are time and again implanted in their political philosophy and their cognitive attitudes regarding the country's economy but, in reality, these attitudes and philosophies are not always what they seem.

Over the years, many developing economies have been facing the problem of huge fiscal, monetary and trade deficits, which Nigeria and Niger are inclusive of. The insufficient the nature of public goods such as infrastructure and utilities services hugely relies on the rate of government spending, which affects both the nature and condition of macroeconomic framework and fiscal sustainability in any small open economy (Popoola, 2016).

Fiscal policy, monetary policy and trade policy in Nigeria and Niger are characterized by profligacy, and a poor financial framework, which is strengthened by poor management of huge oil revenue that poses a threat to macroeconomic stability (Popoola, 2016). Relatedly, policymakers in Nigeria have implemented a series of trade policies through various objectives, for example, the export promotion strategy in 1981; exchange rate liberalization and trade liberalization in 1986; the creation of Nigerian Export-Import in 1991; and several

trade bilateral and multilateral agreements with different countries among others. The main objectives of these trade policies are: to achieve Nigeria's macroeconomic stability and to improve trade nexus with the global community via hitch-free inflow and outflow of both liquidity and non-liquidity transactions across the borders, while these activities are expected to increase international competitiveness which in the long run could bring about an improvement in national economic growth.

However, in the time past, Nigerian and Niger economic growth has not significantly tapped from those expected gains from trade policies which could have been traced to the mono-economic nature where the government mostly relied on oil revenue.

Regrettably, among the problems facing Nigeria bilateral economic relations policies with other countries is Policy inconsistency Policy is change best on the National interest, Policy inconsistency is one area that needs very serious intellectual investigation. New government come in with new policies and the old government fades with her old policies.

However, this study sought to assess bilateral relations between Nigeria and Niger on the road transport infrastructure, security, currency differences and specific tax rate on goods and services between both Countries are very crucial in facilitating bilateral economic relations, this is the literature gap this research intends to fill.

The general objective of this study is to assess the bilateral economic relations between Nigeria and Niger Republic 2015-2020. The specific objectives are to:

- i. To examine the trade relations between Nigeria and Niger Republic;
- ii. To assess the bilateral relations between the two countries;

### **Trade Relations in ECOWAS**

Winters (2012) suggests that trade openness is key to poverty reduction, but must be part of a wider effort.

Trade influences the income of the poor through various channels: through its effects on economic growth, relative prices, macroeconomic stability and on government revenues. The impact of trade on poverty then depends on decisions within the household on how income is allocated. Trade can itself influence how such decisions are made, for example by empowering women within the household. Trade can further affect long-term development outcomes if it leads declines in child malnutrition rates, higher school attendance and performance etc.

The effect of trade on the poor depends on the specific mechanism at play, the nature of trade policy change (whether it increases import competition or market access), the specific industry or firm where the poor work and household decision making. Kareem, (2014) noted that trade benefit the poor by spurring economic growth. Sustained economic growth is the most powerful tool for poverty alleviation.

A household's income is derived from the sale or utilization of its resource endowments (landholdings, capital, labour, or human capital). People are poor because they have few endowments or because the rewards received from those endowments are low. Typically, the poor suffer from both afflictions.

Rapid and sustained economic growth allows the poor opportunities to increase their initial endowments (save to accumulate capital, get an education to increase human capital) and to earn better rewards for supplying their resources to others, typically through the market. Diao, (2011) observed that there is the avenue through which trade division on economic development by increasing the step of innovation by firms.

Firstly, trade liberalization increases the size of the market and the incentives to innovate the trade relations between the African states with particular emphasis on Nigeria – Niger trade relations. Secondly, to the extent that technical know-how is embodied in products and trade relations between the African states liberalization

makes possible knowledge spill-over through improved access to imports and export.

Thirdly, an increase in the degree of openness of an economy will typically enhance the product of market competition within the African states including Nigeria-Niger Bilateral Relations on socio-economic development. The increase in productivity means more output or income can be obtained by society, and therefore also by the poor, from a given amount of resources.

Trade can benefit the poor by reducing the price of what the poor consume and increasing the price of what the poor sell. Trade opening changes relative prices in both product and factor markets. These changes affect the members of the household as both consumers and sellers of goods and factors of production (e.g., labor). As producers, the poor can gain by selling their output in overseas markets where they can get a better return. As producers, the poor are also consumers of inputs. McCaig, (2011) stated that trade allows states to get better access to material and services inputs and technology that improve productivity in the production of the goods and services that the poor produce.

As consumers, trade liberalization can be beneficial to the extent that it reduces the price for imported goods. As income earners, prices can affect wages and employment. As an example of how poor producers can benefit from trade, there is evidence that the US-Viet Nam FTA has helped poverty reduction in Viet Nam. Families living in provinces that benefited from the largest cuts in the costs of exporting to the US also saw the largest decline in poverty. Benefits have also been extended to people working in the informal sector, as export opportunities have promoted the reallocation of workers from micro-enterprises to the formal sector (McCaig & Pavcnik 2014).

Kareem (2014) reiterated that it has been established that trade expansion contributes positively to inclusive growth and poverty reduction directly, through changes in prices, increased incomes and employment

opportunities, and indirectly, through expanded resources for government expenditure. Changes in trade can also adversely affect poor households, by increasing their vulnerability through exposure to price fluctuations, for example. Aid for Trade should be programmed to optimise the positive, and limit the negative, impacts of trade expansion on poor people.

It should help build the export potential of developing countries so that they are able to reap the benefits of global trade, and help poor people engage with domestic and international markets in a way that benefits them. It needs to take into account short-term needs and longer-term objectives. The efficacy of Aid for Trade is probably indisputable but the challenge is how to utilise scarce resources and deliver tangible benefits to developing countries.

Kovak (2013) highlighted that problems in the provision of assistance for trade-related capacity building are very similar to those of other sectors, and they relate to both recipients and providers promoting trade development by focusing on very limited sets of policy interventions. Assistance needs to be provided within a coherent development framework in which a trade agenda prioritises areas of action, to improve the ability of the country to increase trade and productivity growth that provides for poverty alleviation and welfare gains. Equally, at the global level, mechanisms within the multilateral trade rules need to assess and take account of the implementation costs, the availability and need for assistance and the appropriate transition and sequencing of policy to meet WTO obligations to ensure that other vital development-related priorities are not diverted (Prowse, 2002). To a large extent, this is in line with the standard Paris Declaration on Aid Effectiveness which was agreed upon in 2005.

That is, support should be provided in a coordinated and coherent manner, centered on a country's overall development strategy. WTO, (2006) reported that increasingly, donors are paying more attention to ensuring policy linkages take place: for example, the overarching objective of UN Development Program (UNDP) Aid for Trade support is to build partner

country capacities to leverage trade for poverty reduction and the achievement of the MDGs. Member countries also recently directed the UN Conference on Trade and Development (UNCTAD) to enhance its work on the linkages between trade, the MDGs, and poverty reduction. Further, the World Bank is refining its approach to Aid for Trade in response to a 2006 independent evaluation of its trade-related work which recommended giving greater attention to addressing poverty and distributional outcomes from trade reforms and external shocks. The EU Aid for Trade Strategy embraces pro-poor and inclusive growth as one of its five strategic objectives.

To ensure Aid for trade supports trade integration and expansion as well as inclusive growth and poverty reduction, the focus of Aid for trade programming should be threefold. The aids for trade support, trade policy and integration enable governments, through broadened revenue, for example, to support a country's poverty reduction efforts. Bird and Vandemoortele (2009) argue that growth can contribute to poverty reduction through two channels: employment-led poverty reduction or government-led poverty reduction.

They state that the extent and sustainability of employment-led poverty reduction will depend on the sector in which employment-led growth is concentrated, the degree of access poor people have to markets, the terms on which poor people participate in markets and how increased income is spent. In relation to government-led poverty reduction, they argue that growth can lead to poverty reduction if revenues raised from growth are used to improve health and education outcomes, as well as to address inequality.

Marchand (2012) stated that devising a programme of trade reform and integration, policymakers need to take into account the relationship between trade reform and integration, the exchange rate and tax revenues. The evidence suggests that tariff revenues depend on the structure of the tariff and customs regimes. Trade taxes represent one-quarter to one-third of total tax revenue in some low- and middle-income developing countries. Mobilising alternative sources of revenue therefore is

important, particularly in low-income countries, in which tariff revenues constitute a high component of total public sector resources. Assistance to countries to ensure that tax revenues are sufficiently broadened and made more robust is important.

Nicita (2019) observed that the challenge for policy, however, is to implement trade reforms in a way that increases the likelihood that the benefits will reach the extreme poor. The benefits of trade reforms may not reach the poor, if they are not connected to markets. This can be the case for the rural poor, who tend to be low skilled and less mobile than those living in urban areas. A study of Indian liberalization in the 1990s (Topalova, 2010) showed that although poverty in India declined, it declined less for households living in rural districts more exposed to import competition.

Country studies in this volume also highlight the differentiated impact of trade reform in rural compared to urban areas. For instance, in Ghana, households in rural areas that are net producers of agricultural products experience greater losses in welfare than households in urban areas.

Mendoza, Nayyar and Piermartini (2019). Shows that the products of rural households face an average tariff in overseas markets that is 10.9 percentage points higher than that faced by the products of urban households. This underlines the need to do more to address the sources of agricultural trade costs, including weak internal connectivity as well as market access barriers, to maximize the positive impact of trade opening for the rural poor.

In their study on the potential pass-through of price changes due to reforms at Dares Salaam port in Tanzania. Harrison, and Tang (2005) highlight the extent to which domestic transport costs and lack of competition among intermediaries limit the gains of trade from being passed on to the poor in rural areas.

The study by Nicita, Olarreaga, and Guido (2014) drawing on research in Uganda, highlights the importance of information barriers for agricultural producers seeking to participate in trade. Topalova

(2010) stated that trade reforms can create new opportunities, but also involve adjustment costs for the poor. Access to international markets may deliver higher average incomes to farmers who specialize in producing export crops but may bring greater competition that reduces the demand for poor workers in import-competing sectors.

Adjusting to these changes can be costly. Poor workers may require some retraining or may need to move to another location to access newly generated jobs. Also specialization into the production of one or few crops, for example, while increasing the income of the poor when prices are high, may reduce their income when prices are low. These costs are particularly difficult for the poor to bear given their lack of resources and limited access to finance. This is compounded by the lack of effective social safety nets in many poor countries that can support poor people during periods of transition. Therefore, what should be short-term adjustment costs from trade can turn out to have long-term negative outcomes for the poor. The current volume contributes to understanding the potential for increased vulnerability of households in trade-exposed sectors because of trade liberalization, even when trade contributes to an overall increase in incomes and reduction in poverty. Edmonds, Pavcnik and Topalova, (2010) stated that existing evidence points to the importance of putting in place appropriate policies to smooth the costs of adjustments for the next generation, as well as in the short-term.

For example, by increasing the demand for skills and when adequate information on this is provided, trade can contribute to improved educational outcomes. Jensen (2012) shows that recruitment campaigns in rural villages in India that provided information about job opportunities in Information Technology (IT) in urban areas were associated with increased schooling of young girls. However, primary school attendance, especially for girls, declined in Indian regions more exposed to international competition. Caselli et al., (2012) observed that trade benefits the poor if it is

associated with greater diversification and greater macroeconomic stability.

Macroeconomic volatility is usually bad for the poor because it can reduce economic growth and adversely affect the distribution of income and generate inequalities. The poor have little access to finance to be able to tackle a period of tightened liquidity. Therefore, they are the most affected by macroeconomic volatility. If domestic shocks are the major source of volatility, trade can help reduce volatility through export diversification.

For example, when a country has multiple trading partners, a domestic recession or a recession in any one of the trading partners translates into a smaller demand shock for its producers than when trade is more concentrated. Trade allows domestic goods producers to respond to shocks to the domestic supply chain by shifting sourcing abroad. Geographical export diversification may also help reduce the impact of country-specific external shocks (Jansen, Lennon & Piermartini, 2015). In fact, a recent study by the International Monetary Fund (IMF) (2014) finds a robust negative correlation between export diversification and output volatility in low-income countries.

However, Frankel and Rosen, (2008) suggesting that greater trade openness also implies greater exposure to external shocks especially in outward oriented industries. Countries with closer trade links tend to have more tightly correlated business cycles. Trade acts as a transmission mechanism to propagate a country specific shock to others. By leading to greater specialization in output, trade reduces diversification in production and may make a country more susceptible to idiosyncratic shocks. Kose and Riezman (2001) found that because a significant fraction of African countries' exports is concentrated in a narrow range of primary commodities, terms of trade shocks account for 45% of the volatility in aggregate output.

Moreover, adverse trade shocks can cause prolonged recessions since they induce a significant decrease in aggregate investment. Koren and Tenreyro (2007) also suggest that greater volatility in developing countries arises from their initial specialization in the most volatile production sectors. Economic development involves diversifying away from these volatile sectors. Bhasin, and Annim (2005) stated that opening up to trade may put the poor at risk, if it reduces government revenue. The poor benefit from the provision of public goods and may be helped by government transfer programmes. What happens to customs revenues after trade reform can therefore matter greatly to the poor since the share of trade taxes in government revenues is typically high in poor countries.

However, connecting to global markets does not necessarily lead to lower government revenues from trade. At first glance, trade liberalization will reduce tariff revenues and this will certainly occur if all trade taxes are reduced to zero. However, fostering trade may involve measures that do not affect tariff revenues.

This is the case for reforms that reduce red tape at the border. Bourguignon and Savard (2008) argued that liberalization typically stops short of complete tariff elimination. The "Laffer curve" analysis suggests that there is a tariff rate that maximizes customs revenues; if the initial tariff rate is above this rate, tariff liberalization can actually increase customs collection. Furthermore, to the extent that quantitative restrictions are replaced by tariffs, new sources of tariff revenues will be generated by trade reform. In many countries non-discriminatory consumption taxes, such as a value-added tax, are also levied at the border.

Hence, while tariff revenues will fall, revenues from consumption taxes applied to imported goods will rise and mitigate the overall revenue loss. Finally, lower customs revenues will be partially or wholly made up for by greater collection of domestic taxes (holding tax rates constant), as economic activity and growth is stimulated by trade opening.

Breisinger and Duncan (2007) asserted that trade opening affects the way decisions are made within the household, which have an important impact on poverty. This is particularly the case if trade empowers women within the household by creating jobs for women that would not otherwise be available. For example, cross-border trade in Africa provides income for hundreds of thousands of poor women. The emergence of the apparel sector in Bangladesh has created substantial jobs for women and has contributed to changing social attitudes towards women and girls. The empowerment of women within the household is typically associated with better nutritional and educational outcomes for children, which in turn leads to higher productivity in the long-term. Hence, the nexus between trade and gender is a critical area for attention. The trade volume includes a number of studies that deepen our understanding of how the impact of trade reform may not necessarily be the same for women as it is for men. This is important since in many poor countries women and female-headed households typically have a higher propensity to be poor than men and male-headed households.

Campa and Goldberg (2002) finds female-headed households are likely to benefit more from the implementation of the ECOWAS Common External Tariff, especially in urban and coastal areas, as they are more likely to be net consumers of products where prices are expected to decline. The chapter on trading firms in Africa (Duda-Nyczak & Viegelahn) finds that exporting firms tend to pay more to women workers than non-trading firms. Combining qualitative and quantitative data on small-scale, cross-border traders in Lao PDR and Cambodia, Seror, Clarke and Record document that women face both visible and invisible constraints to participating in cross-border trade, although they might not be as great as those faced by women traders in Africa.

Das, Chetan, and Peter (2015) underline the importance of adequate border infrastructure, streamlined border procedures, and access to finance. Indian women consistently face higher tariffs in overseas markets than

men. On average, women's tariffs are 6 percentage points higher than those that men face, based on the type of work in which they are employed. The studies reinforce the need to assess the gender implications of trade reforms and to identify and address if there are particular challenges that women face to benefit from the opportunities or deal with the risks that trade brings. Calvo (2014) stressed that there are several channels through which international trade affects poverty. Evidence shows that not all the poor are affected equally.

The effects will depend on where they live (rural versus urban areas), their individual characteristics (skill, gender), and the type of trade policy change (increased import competition or export opportunities) and where they work (industry, firm, and formal/informal sector). Since the effects are context specific, case study analysis of the type we present in this book is very important to better understand the variety of channels through which trade can affect poverty.

Gouel (2016) stated that market participation by small scale farmers in Uganda, particularly those in remote regions, is severely limited by inadequate transport that raises transport costs and impairs quality, and by lack of information on market conditions. Gouel (2016) explores how infrastructure investments, cooperation between farmers and the use of information technology can help farmers access more efficient transport, reduce their dependence on intermediaries and increase their incomes. Simulations using an Agent Based Modelling (ABM) technique indicate that strategic placement of markets, improving access to warehouse facilities, encouraging farmers associations, improving the institutional framework for contract farming, and facilitating compliance with Good Agricultural Practices (GAP) standards could reduce transport costs, raise prices received by smallholders, and increase their participation in the market. Han, Jun, Runjuan, and Junsen (2012) observed that women have less bargaining power vis-a-vis border officials, which increases the cost of non-transparent and arbitrary customs procedures and results in a higher tax burden.

Women pay higher taxes and are more likely to be controlled by quarantine services, but this is not due to a greater likelihood of illegal behaviour.

Several policy improvements would expand opportunities for women to profit from SCCBT. Increasing transparency, simplifying procedures and limiting border officials' discretion would reduce the time burden women face and the disadvantages from their smaller bargaining power. Improving infrastructure would also reduce the time required at the border. Increasing provision of childcare services would reduce household responsibilities. Easing fees and restrictions on motorized transport would reduce the importance of physical strength in moving goods across some border posts. Providing training in gender sensitivity and formulating a Charter for Cross-Border Traders and Brokers stating the rights and duties of all parties involved in cross-border trade would improve women's experience at the border.

One reason that poor people may not capture the full benefit from participation in international markets is that the goods they produce tend to be subject to relatively high trade barriers. Osakwe (2015) stated that access to international markets is more difficult for the poor. How did we get there? Essentially, efforts to protect poor workers across countries (tariff protection in China and the United States is higher on goods produced by poor workers than on goods produced by rich workers) face a coordination problem. If poor workers produce the same kinds of goods, then each country's attempts to protect its own poor workers by imposing higher tariffs and more NTMs on such goods will reduce the access of all poor workers to international markets, and thus limit the reduction in poverty from trade liberalization.

### **Technology Transfer in ECOWAS**

Widely acknowledged that transfer of technology has played a key role in the economic and industrial development of any nation. McCaig (2011) observed that ECOWAS can increase their productivity and

efficiency levels through the acquisition of technical knowledge and skills from the developed countries. The effective transfer of technology enables these countries to utilise their natural and human resources efficiently through transformation of inputs into outputs. It also enables them to build up their technological capabilities by importing and adopting foreign technology.

Technology transfer is also seen as an important strategic variable which must be integrated into the national development planning of ECOWAS. As the experiences of some East Asian countries during the past three decades show, these countries could increase their output, upgrade the skills of their labour force, and accelerate the process of industrialisation through the adoption, adaptation, and absorption of imported technologies.

Marchand (2012) stated that technological change has also played a key role in the overall economic and industrial growth of developed countries in the past. For example, it is estimated that technological progress contributed as much as 65% to Japanese economic growth. Moreover, about 29% of the growth in manufacturing industry in Japan during the period "1955-1979" could be attributed to technological progress.

Calvo (2014) argued that the fact that the current developed countries could increase their technological levels over the last two centuries indicate that ECOWAS can also catch up with technologically advanced countries. It can be said that West Africa in the current situation can take the most advantage from the availability of existing technological resources and therefore do not need to reinvent the wheel.

Bourguignon and Savard (2008) observed that the transfer of technology has introduced high-productivity techniques and in many cases encouraged technical change in ECOWAS. The acquisition of foreign technology can also contribute to improving competitiveness in the local as well as the international markets for these countries. However, while the development of indigenous technology should be

encouraged, technology transfer can be considered as a vital process of industrialisation for ECOWAS. In other words, industrialisation is a process of acquiring technological capabilities in the direction of consistent technological change.

Bird (2004) argued that despite the great importance of technology transfer in the process of industrial and technology development of there have been some general problems in the process of effective and successful technology transfer. These problems, which include mainly the lack of absorptive capacity in the recipient country and unwillingness of the transferor in transferring real technology and technical know-how, have led to unsuccessful technology transfer. Therefore, it is necessary for these countries to promote their local technological capability in order to adapt and absorb foreign technologies efficiently for their local needs.

Ivanic and Martin (2014) suggested that ECOWAS have identify and improve those elements of technology in which they are weak, such as developing an appropriate industrial and technological infrastructure. The imported technologies should also be adapted and matched with the existing technologies, which can lead to the rapid process of industrialisation. Having recognised the great importance of technology for their development and industrialisation, ECOWAS seem to be unable to exercise real choice in designing effective strategies for their technological transformation. Many developing countries do not appear to have established the necessary procedures and criteria to choose the effective technology transfer policy needed for a rapid industrialisation and technological development.

Atkin and Donaldson (2015) observed that problems of technology transfer discussed from different points of view. For example, the major problem from the macro-economists point of view is to investigate the appropriate technology, how to adopt and adapt it effectively and use it for the development and industrialisation of ECOWAS. From the point of view of managers in ECOWAS, the question is how they choose the technology for import and how do they decide the channels through which technology will be

transferred? Managers also consider how to utilise their limited resources efficiently in order to promote their technological capability.

De Melo and Laski (2014) observed that engineers and scientists are also more concerned about the technical and scientific aspects of the subject, the process of an effective indigenous technological development, industrial and technological research, and promotion of the skills and productivity of the labour force. It seems that ECOWAS prefer to adopt and assimilate new technologies rather than trying to generate and create them, since, it needs less traditional R&D, but they still require a high level of technical skills. Unfortunately, there have been few attempts to formulate and design the appropriate plan and strategies for effective and successful technology transfer and development. The specific strategy and policy for technology transfer in a country cannot be separated and isolated from the overall national plan for its economic, industrial, and social development.

Therefore, the major aims of technology transfer policy should be concentrated on finding the most appropriate methods to use technology in order to achieve rapid economic and industrial progress. In this way, ECOWAS will reduce the technological dependency on developed countries. In designing appropriate strategies for their technology transfer and development, ECOWAS can also draw valuable lessons from the successful experiences of some Newly Industrialised Countries (NICs) in East Asian and Latin America. Banerjee and Andrew (2004) argued that to many economists, technological progress is the most important source of economic growth. In its simplest form, technological progress results from new and improved ways of accomplishing traditional tasks such as growing maize, making clothing, or building a house.

There are three basic classifications of technological progress: neutral, labour saving and capital saving. Neutral technological progress occurs when higher output levels are achieved with the same quantity and combinations of factor inputs. Simple innovations like those that arise from the division of labour can result in

higher total output levels and greater consumption for all individuals. \

In terms of production-possibility analysis, a neutral technological change which, say, doubles total output is conceptually equivalent to a doubling of all productive inputs. Breisinger, Diao, Thurlow and Al-Hassan (2008) argued that to many economists, technological progress is the most important source of economic growth. In its simplest form, technological progress results from new and improved ways of accomplishing traditional tasks such as growing maize, making clothing, or building a house.

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Campa and Goldberg (2002) observed that technological progress may either be labour saving or capital saving (i. e., higher levels of output can be achieved with the same quantity of labour or capital inputs). The use of electronic computers, automated textile looms, high-speed electric drills, tractors, and many other kinds of modern machinery and equipment can be classified as labour saving. Capital-saving technological progress is a much rarer phenomenon.

But this is primarily because almost all of the world's scientific and technological research is conducted in developed countries, where the mandate is to save labour, not capital. In the labour-abundant (capital-scarce) countries of the Third World, however, capital-saving technological progress is what is most needed. Such progress results in more efficient labour-intensive methods of production. For example, hand- or rotary-powered weeders and threshers, foot-operated bellow

pumps, and back-mounted mechanical sprayers for small-scale agriculture. The indigenous ECOWAS development of low-cost, efficient, labour-intensive (capital saving) techniques of production is one of the essential ingredients in any long-run employment-oriented development strategy.

## Conclusion

The study on politics of international economic relations between Niger – Nigeria revealed that the smugglers followed bush trails in order to evade customs and other security agents. It is therefore pertinent to argue that despite the problems associated with unrecorded cross – border trade, the trade has the potential of facilitating economic integration between Nigeria and Niger. This led to the development of trade relations between southern Niger and northern Nigeria stems from two major activities: trade in local products and transit. Therefore, unrecorded cross – border trade is not officially recognized by governments but it is understood that the trade has the potentials of facilitating regional integration between Nigeria and her neighbours.

The trade also contributed toward economic integration between Nigeria and Niger. This is because goods of different varieties were transported across the border which aimed at satisfying consumer needs. This equally strengthen Nigeria - Niger territorial unity and cohesion beyond successive authorities under the authority of the Songhai and the Borno, the Hausa city-states, despite their political instability, were able to retain their territorial integrity and a very strong cultural unity.

The two nations formed the Nigeria-Niger Joint Commission for Cooperation (NNJC) established in March, 1971 with its Permanent Secretariat in Niamey, Niger in order to avoid disputes that may result in the breach of peace and political instability. Nigeria and Niger have been concerned with clear delimitation of boundaries and other mutually benefiting economic, cultural and diplomatic initiatives aimed at ensuring, peaceful coexistence amongst them.

In order to curb trans-border crimes, Nigeria and Niger Republic signed an agreement for the immediate commencement of joint border patrols along the borders between the two neighbouring countries to curb the activities of the Islamic Religious sect, *Boko Haram*. The agreement was signed in Niamey the capital of Niger Republic. This implies that the bilateral relations between Nigeria and Niger becomes intimate in trying to resolve the trans-border crimes between Nigeria and Niger to establish a legitimate trade relation.

### Recommendations

To solve the problems of politics of international economic relations in Niger – Nigeria bilateral relation, the following recommendations are made:

- i. Nigeria and Niger should intensify the joint border patrols to tackle smuggling and insurgency affecting the two countries. The emphasis should be on simple but reliable structures for security cooperation. Ones that can stabilize relations, prevent the spill-over of conflicts, secure emerging common values and perhaps, lay the foundation for nascent security regimes
- ii. International organizations such as ECOWAS and NEPAD should be involve to create regional integration between Nigeria, Niger and other neighboring countries. Though proponents of intense regional integration have advocated for substantial and forceful missions by Africans.

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