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# Impacts of border closure policy on entrepreneurial activities in selected main markets in Ibadan, Southwest, Nigeria

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Entrepreneurial activities are fast becoming the primary means of livelihood as an increasing number of people are embracing it to overcome socio-economic challenges. However, many in certain sectors of the entrepreneurial activities are faced with many policy challenges. This study seeks to find out the lived experiences of the retailers involved in entrepreneurial activities related to the border closure and the effect of the policy on entrepreneurs' businesses as it influences the informal sector in the Ibadan metropolis. The study adopts the Mertons' Functionalist theory to situate study concepts. The descriptive research design with the use of qualitative methodology was adopted for the study. The in-depth interview was conducted with 10 entrepreneurs in the Ibadan metropolis and analysed in themes in line with the study objectives. This is adjudged sufficient for a qualitative study and many of the responses were almost similar. Study findings show that there have been more complaints about their activities since the border closure policy was enacted. That is, the state of entrepreneurial activities has been deteriorating since the implementation of the policy. However, irrespective of the challenges, the study reveals that the entrepreneurs still make their profit, even though at a reduced rate. Based on the findings, it was recommended that entrepreneurs be educated and sensitised on the impact and usefulness of any government decision on the business environment to prevent opposition within the society. In addition, the porosity of the border (land border) and not the closure of the wall should be of much concern to the government and their officials; hence, the government should tighten up the borders by having strict regulations when it comes to trading, importation and exportation of commodities across borders.

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## Introduction

Entrepreneurial activities have been observed to form an integral part of the day-to-day activities of individuals and organisations. This can be described as occupying a vital position in the growth and development journey of different societies in the world (Kulkarni et al. 2023). As a result of globalisation, there has been rapid economic, cultural and institutional integration among countries, which has influenced the cross-border movement of commodities, services, technology and other resources, among others (Mbah et al. 2017). Different factors, either positively or negatively, often affect the activities of entrepreneurs. These factors can either be internal to the entrepreneurs or external to their businesses. More often than not, it is easier to maintain and control internal issues than external ones, as they have little or no control over what the external environment pushes to their business environment (Egharevba et al. 2022). Among all external factors that can make or mar entrepreneurial activities, the government as an institution plays an essential role that must be considered (Udume et al. 2021). Some government functions are formulation and implementation of policies, regulation of entrepreneurial activity and border relations (Liuyi et al. 2023).

Border access plays a significant role in the development of a country, especially in terms of the economy, availability of commodities, and, more importantly, commodities produced in little or no quantity by the receiving government (Barrett et al. 2022). Trade globalisation allows countries to export goods and services they can produce effectively and import those they cannot pay for (Joshua et al. 2020). Nigeria has keyed into this system, which has been noted to boost economic expansion and development among other countries. As much as cross-border activities are encouraged among nations, the various activities and happenings across the border are with regulations (Nave and Franco, 2021). Part of the measures employed in controlling cross-border activities is introducing the Border Closure policy, which is usually enforced by the government when needed (Osabohien et al. 2019). The Nigerian government recently announced the closure of its land borders in August 2019, effectively banning all trade imports and exports with neighbouring countries (Ogunwusi et al. 2019). According to Ibrahim and Singh (2020), this is a phenomenon that has been introduced previously in Nigeria, as it has been enforced in times past (Emodi and Madukwe, 2008; Exx, 2019). As pointed out by President Muhammadu Buhari, this border closure hinges on the need to curb illicit smuggling of goods, improve entrepreneurship, and protect local production (Sheriff, 2019; Joshua et al. 2020). Although entrepreneurship is regarded as an engine for economic growth (Ogbo and Nwachukwu, 2012), internal and external factors are necessary to ensure smooth entrepreneurial activities (Udume et al. 2021).

Trade globalisation has been noted to have broken the barriers associated with cross-border activities in society (Okafor et al. 2023). This has further expanded the scope of entrepreneurial activities in the community as individuals now engage in businesses locally and internationally (Olonade et al. 2021). Wholesalers and retailers are an essential part of economic growth. However, the impact of the border closure on entrepreneurs and their business activities has been largely ignored. The impression that is given while sustaining the policy is that it is expected to protect local producers while neglecting other actors involved in cross-border activities.

Literature has shown that much attention has been placed on the border closure policy and its effect on national productivity, while little or no attention has been placed on the impact of the policy on the entrepreneurial activities of retailers (Olurounbi, 2019; Ghins and Heinriqs, 2019; Ibrahim and Singh, 2020).

Having observed the paucity of recent literature and studies on the perceptions of citizens on the border closure policy and unmindful of the fact that the government had enacted and re-enacted the procedure at different times in Nigeria's history, this study aims to examine the recent contextual experiences of the people on the enforced border closure. This paper seeks to investigate the effect of the enactment of the border closure policy on entrepreneurs' businesses in the Ibadan metropolis and suggest a way forward for an all-inclusive border-closure policy in Nigeria.

The impacts of the border closure policy have been felt mainly by the informal sectors in Nigeria, the entrepreneurs in the form of retailers and ordinary Nigerians who live in poverty. In October, after the border closure, inflation rose to 11.6% due to the increase in food prices, which was an offshoot of approximately 14.1% (Okhiria and Owoniyi, 2019). It should, however, be noted that, on average, the price of food accounts for about 60% of the money an average Nigerian has. Most of these foods are foreign commodities. Since the border closure, the price of the available foreign things within Nigeria has skyrocketed. Hence, entrepreneurial activities have been greatly affected because the rate at which retailers now get these foreign commodities is high, especially for those who still have the means of acquiring the things (Munshi, 2019). At the same time, those who have the means to achieve these foreign commodities are left to change the course of their business or become jobless. For instance, the closure of the border towards Niger and every other border will make most people lose their jobs. Those at risk of losing their livelihoods range from truck drivers to those who offload and even commodities sellers. The economy experienced backwardness, especially since the necessary absorbers still needed to be implemented (Ibrahim & Singh, 2020; Egharevba et al. 2022).

Moreover, Nigeria's preference for foreign commodities has made it difficult for entrepreneurs and their activities to adjust to the border closure policy and the non-availability or means of acquiring the products (Udegbe, 2017). Most Nigerians prefer foreign rice, *tokunbo* cars and spare parts, foreign textiles, and frozen poultry to domestic products. This has pushed entrepreneurs to find ways to get foreign products and stay relevant in their businesses. Apart from customers' preference for foreign commodities and its effect on the entrepreneurs' businesses, the little or non-availability of domestic products has also posed a significant threat to entrepreneurial activities in Nigeria (George et al. 2017). However, the government claimed that the border closure would boost local food availability. Munshi (2019) asserted that production takes time and cannot keep up with Nigerian demand as domestic product supply is extremely low. Apart from border closure affecting the availability of rice, the price of poultry products, vegetable oil, and fairly used products has skyrocketed. For instance, the cost of second-hand used clothes, also known as *Okirika*, increased from 10% to 30% (Ibrahim and Singh, 2020; Sahara Reporters, 2019).

The African Continental Free Trade Agreement (AfCFTA), signed by African countries to allow for free trade among these countries, was flouted by the Nigerian government. This is because after signing this treaty, they closed their borders to other countries, thereby going against the agreement with AfCFTA (Kassa & Zeufack, 2020). With the Nigerian government flouting this agreement, other African countries see Nigeria needing more time to prepare for the continental market. This has also caused most African countries to question Nigeria's commitment to the treaty's success (Okhiria & Owoniyi, 2019).

The functionalist theory is one of the most contemporary sociological theories used in explaining social facts, social change, events and circumstances within society (Siregar, 2022).

Functionalism, or structural-functionalism, describes society as a structure with different parts (Pope, 1975). These parts are expected to perform functions and meet the needs of individuals and society. Some prominent scholars who devoted much of their time to developing functionalist theory are Talcott Parson, and Robert K. Merton (1938). However, this article will be hinged on Merton's (1938) Manifest and Latent functions tenet as well as the functional and dysfunctional propositions of the theory.

Merton noted that cultural items can be functional or dysfunctional to society and that there are alternatives to the active role that some structures perform. Also, he went further to explain the Manifest and Latent Functions. Merton (1938) defined the concept of functions as 'observed consequences which make for the adaptation or adjustment of a given system' (1949/1968: 105), and he recognised the two forms of functions that can occur during an action or change within the society; the manifest and latent function. For Merton, manifest functions are intended consequences that contribute to the adjustment or adaptation of the system. They are the conscious intentions of an actor that they hope to actualise, and the results of the actions are known to the participants or receivers of the activities. Latent functions are unintended consequences that participants are often oblivious to. They are described as the indirect consequences of an action. These indirect consequences are sometimes unknown to the actors and not planned for, but they still occur due to the manifest function's intended outcomes.

Merton also proposed that not all unintended consequences depend on manifest functions but can result from the actors' social change or actions. As stated earlier, an act functional to another group could be dysfunctional to another group within the same system, and a positive social fact can have a negative outcome for another social point. Hence, it is essential to recognise that dysfunction can occur due to an action with an intended effect but births another product that is not intended (latent function), which can be dysfunctional to the system. Concerning either making or marring entrepreneurial activities, the intended consequence was to enact the border closure policy to boost locally made goods, thereby improving the nation's gross domestic product (GDP). Laudable as this seems, some unintended consequences have, however, been observed to have emanated. These include the increase in food prices, the inability of available local goods to meet the market demands, and the untold hardship many entrepreneurs face in their businesses. All these are the latent functions in Merton's (1938) functionalist theory, which has proven dysfunctional to the system. Therefore, government and policy-makers must always have a holistic view of policies to ensure that the unintended consequences do not outweigh the intended results.

Hence, this study seeks to examine the concerns of entrepreneurs, particularly those directly affected by the border closure policy in Nigeria and the impact this policy is having on them. The study findings will help the government and relevant stakeholders to proffer lasting solutions to the consequences of the border closure policy in Nigeria. This study's uniqueness stems from the fact that not many studies have been conducted on the impact of border closure policy on entrepreneurial activities in Nigeria. Hence, it will also contribute to the body of knowledge in development and entrepreneurial studies. Below are the specific objectives of this study:

#### **Research objectives**

1. To examine the state of affairs of entrepreneurial activities in Ibadan since the border closure policy was enacted
2. To investigate the challenges encountered by entrepreneurs due to the border closure policy
3. To analyse entrepreneurs' coping strategies since the border closure policy was enacted.

#### **Materials and methods**

The paper adopted a descriptive research design as the study sought to describe the lived experience of the retailers since the policy (border closure) was enacted. Ibadan Metropolis was chosen as the study area because of the differentials in the socio-demographical composition of its population and the industrial activities that her population are involved in (Olonade et al. 2021). This allowed the researcher to interview people of different backgrounds, which gave the study a holistic approach. Moreover, Ibadan is one of the cities still very much involved in commercial activities (Olonade et al. 2021). Nearly all the streets and corners in the traditional core and the city's inner suburbs are market squares or stalls (McKenna, 2019).

The research work was limited to entrepreneurs who are retailers in Ibadan Metropolis, Oyo State. This is due to their direct involvement in foreign goods and materials essential to people's livelihood. For the sampling procedure, cluster sampling was first adopted to group Ibadan Metropolis into clusters of 11 local governments. The purposive sampling technique was then adapted to select two local governments (Ibadan North-West and Lagelu) in which two of Ibadan's most popular markets (Bodija market and Gbagi market) are domiciled. Participants were purposively selected, and by the end of the interview, the researcher could have an in-depth discussion with 10 participants: 6 from the Gbagi market and four from Bodija. The sample size for the qualitative data could not be asserted because the research was carried out during the COVID-19 Pandemic, and restrictions were placed on movement and businesses. Hence, the researcher had to select based on the available participants that were purposely selected based on the commodity they sold. During the study, it was pretty challenging to identify willing respondents due to the COVID-19 restrictions and stay-at-home orders. Getting the willing participants for the research took much persuasion and appeal. The interview session with each participant lasted between 45 and 60 min as respondents were busy attending to customers during the data collection.

Qualitative data were analysed using content analysis as the study's findings were discussed based on the objectives. All ethical considerations (anonymity, voluntariness, and malfeasance) were duly adhered to in conducting social science research. Also, none of the questions asked was hazardous to participants' health or businesses, and safety was paramount to the researcher as the study was carried out during COVID-19. Hence, all COVID-19 regulations were strictly adhered to, and informed consent was obtained from all the study participants Table 1.

#### **Result and discussion of findings**

**The lived experience of retailers' entrepreneurial activities since the border closure.** The study's broad aim is to examine the lived experiences of retailers involved in the business of banned commodities and how the border closure affects the totality of their entrepreneurial activities. Based on the specific objectives, these lived experiences were categorised into the state of their business first, then the challenges and coping strategies adopted by retailers of the banned commodities. Hence, the findings are presented in line with the study objectives.

*State of affairs of entrepreneurial activities.* Examining the state of entrepreneurial activities from the retailers' point of view showed more complaints about their activities since the border closure policy was enacted. The responses received from the entrepreneurs, i.e. the actors (retailers), showed that the state of their actions has been deteriorating. They asserted this through differential content analysis between different administrations to drive home the point of the state of entrepreneurship from the retailers' perspective. A participant explained the differences in foreign rice and groundnut oil prices during the Goodluck

**Table 1 Sociodemographic Characteristics of Informants.**

Variable	Frequency	Percentage
<b>Gender</b>		
Male	7	70
Female	3	30
<b>Age group</b>		
20-30	3	30
31-40	5	50
41-50	2	20
51 and above	0	0
<b>Business Location</b>		
Gbagi	6	60
Bodija	4	40
<b>Industry</b>		
Rice and Groundnut	6	60
Frozen foods	3	30
Motor spare parts seller	1	10
<b>Total</b>	<b>10</b>	<b>100</b>

Researchers' survey, 2020.

Jonathan administration and Mohammad Buhari administration, drawing home his point to describe the state of entrepreneurial activity. For the participant, she said:

In 2014 and 2015, when the border was opened, the rate of rice was low; now, we are selling rice for 26,500 because of the border closure. When I came here in 2015, we sold rice for 5,500 naira and 25 litres of Kings' oil for 5,500 naira. In 2017, groundnut oil increased to 10,000 naira plus, while in 2018 and 2019, it increased to 13,000 nairas plus and in 2020, groundnut oil is now 14,000 naira plus

**(IDI/45/Female/Rice/groundnut oil/Bodija/2020)**

Another participant said:

The market is different from what it was before; there is a difference between the past and present administrations. The income of the past needs is separate. When the market is plenty, profit will be plenty; when the market is small, profit will also be small. This is due to a reduction in sales due to increased prices, which is affecting our businesses.

**(IDI/28/Male/ Spare part seller/Gbagi/2020)**

The information given by the participants above showed the administration the retailers preferred based on how positively their tenure influenced the business environment, especially regarding purchasing commodities, profitability level and the policies implemented. This tenure differential pointed out how business strived more than the current administration of Mohammed Buhari, especially since the border was closed. To commensurate the above participant, an interviewee stated the difference in the number of goods often sold before and the present sales situation due to the border closure policy. He said:

Since the border closure, the number of goods sold out has reduced. For instance, some people bought 50 bags of rice before, but now, they buy 20 bags. The highest quantity of goods we sell now is 50 bags, which is different from the past. This has dramatically impacted our profit margin.

**(IDI/32/Female/Rice seller/Gbagi/2020)**

From another mode of business, the reduction in the quantity of goods was also discussed as regards their state of activities. The frozen food seller said:

The amount of frozen chicken people buy from me is small because of the price increase. Someone who believes 5 kg of Frozen chicken now buys 2 ½ Kg of frozen chicken simply because the price of each Kg has increased.

**(IDI/43/Female/Frozen food/Gbagi/2020).**

Still, on the state of entrepreneurial activity, business profitability is an aspect that must be included in the discussion as it determines the continuity or discontinuity of a business. Moreover, when policies are put in place, they can either necessitate an increase in profit or an inverse reaction. Profit-making is one of the reasons why people either decide to engage in entrepreneurial activity or not. It characterises an entrepreneur simply because the goal of any individual is to have returns and make profits from their actions. Such a business or individual can only be regarded as an effective and efficient entrepreneur. To this end, entrepreneurs' profit level was examined to check if it is a contributing factor to the present state of entrepreneurial activities since the border closure policy and how the policy affects their profitability. To ascertain this, some of the participants had this to say:

We are trying our best, and God will help us. We are making profits. Every person in business has to make profits. That is the reason why we come to the market. We do not come to need to play or joke anyhow, and we have to make profits. Although compared to before, we used to make less than we did, we do all that we can to remain in business.

**(IDI/30/Male/groundnut oil seller/Gbagi/2020)**

Another interviewee also said:

They should open the border. The closure of the wall only affects our profit a little but the poor masses because I cannot buy 5naira and sell for 5naira. The poor masses are suffering the thing. A customer came one day and said it is money we are eating, not food.

**(IDI/40/Male/Frozen food seller/Bodija/2020)**

From their responses, irrespective of the policy's effect on their businesses, entrepreneurs are still making their profit. Though there has been a reduction in their profit margin, unlike before the border closure when the profit margin is wide, entrepreneurs have to try as much as possible to remain in business. This, however, points to the fact that regardless of policy changes, entrepreneurs still have the mindset of making profits, however small they are, even though they might have affected the masses negatively. Moreover, an essential tool developing countries should employ is entrepreneurship, which helps create wealth and raise the population above the poverty line (Ikeje and Onuba, 2015; Oteh, 2009; George et al. 2021). More importantly, the end goal of every entrepreneur is to make a profit irrespective of the economic environment (rules, policies). For this reason, most of the responses from the entrepreneurs interviewed showed that despite the economic conditions of entrepreneurial activities, every one of them still tries to make profits since it is the main essence of their engagement. It was also pointed out that, though the border closure policy has negatively affected their business, they still try to keep their businesses afloat (Ogbo & Nwachukwu, 2012; Ikeje and Onuba, 2015). This attests to the resilient spirit of many Nigerians across all sectors.

The content analysis showed that the policy was solely digging a hole to cover another hole as, from the literature, production has increased compared to the former. In contrast, from this

research, the policy has been detrimental to retailers' activities. From the entrepreneurs' perspective, their entrepreneurial activities have been negatively affected, with most of their responses being on their inaccessibility to preferred commodities, especially foreign commodities, which has been asserted by past studies (Bouillon, 2019; Okhiria and Owoniyi, 2019).

The number of goods consumers have access to has reduced, and the price has affected the quantity requested by customers. The cost of commodities has contributed to the decrease in the number of goods people demand. The above assertion was made after the participants spoke on how a customer could ask for 50 bags of rice in the past, but due to the price hike, they demanded just 20 bags of rice. This has led to businesses folding up. Bouillon (2019) and Sahara Reporters (2019) recorded reduced demand for goods. From the work of Ibrahim and Singh (2020), though their focus was on those with direct contact with the border, the business state is still quite the same for transporters and retailers. This is because some transporters and loaders no longer have work to do, while some changed the course of business due to the policy enactment (Ibrahim and Singh, 2020; George, 2020). When a comparison was carried out between the responses received from different entrepreneurial activities, activities of changing businesses or companies folding up should have been pointed out in Frozen Food or *Okrika* businesses. This is because the frozen food sellers have been able to complement their interaction with other commodities, which gives them leverage over other entrepreneurs, such as rice and groundnut oil sellers.

The border closure policy served as a functional tool to improve local production and patronage, which the procedure has done and is serving the purpose of its enactment (George, 2020; Merton, 1938). However, from the result generated during this study, the functionalist theory of Merton (1938) points out that a phenomenon can have a manifest and a latent function. Hence, from the result of the state of entrepreneurial activity since the border closure policy, the intended consequences are happening, such as an increase in local production (George, 2020). An increase in patronage of local commodities, whereby the latent function of the enactment of the policy has been inaccessibility to both the foreign and local entities, folding up of businesses, increase in the price of commodities and the deteriorating nature experienced by retailers of these banned commodities (Merton, 1938). We can, therefore assert that though the policy was functional, it was digging a hole to cover another hole. In the words of Schumacher and Gillingham (1979), this policy overlooks two significant variables crucial to development policy: calculus of pain and calculus of meaning.

*Challenges encountered by entrepreneurs due to the border closure policy.* The enactment of the policy in Nigeria has been asserted by the retailers to have disrupted their business mainly as they have limited access to the commodities that make them relevant within the commercial environment (Okeke and Okechukwu, 2014). These limitations posed challenges, and the participants mentioned inaccessibility, non-availability, and disturbance from government officials and others as part of the challenges faced by the retailers. Some of the participants had this to say:

We don't have much access to rice and groundnut oil because of border closure, which is the reason why everything is costly.

**(IDI/30/Male/Rice/groundnut oil/Gbagi/2020)**

Another entrepreneur pointed out that:

The issue with frozen food, especially chicken, is that there needs to be more access to it, and even the local chicken is either too expensive or not good enough in terms of quality.

The local chicken often costs more than it is worth. Meanwhile, there has been a severe short supply of gizzards because of the border closure policy.

**(IDI/40/Male/Frozen food seller/Bodija/2020)**

Another issue pointed out as a challenge faced by entrepreneurs, especially retailers, is the problem of the price of buying and selling their commodities. One of the participants said:

Customers will buy, but they will still complain. Before, when the market was plenty, bargaining was not that much. When you give the price, they will only bargain a little. Since the close of the border and the scarcity of rice, bargaining is much because the prices have now tripled. This is now reducing how much profit we make on our goods.

**(IDI/45/Female/Rice seller/groundnut oil seller/Bodija/2020)**

A frozen food seller said:

The price of frozen food has increased. Imagine buying a pack of frozen chicken for a ridiculous amount. How much will we sell them, what will be the profit we will get from it?

**(IDI/43/Female/frozen food/Gbagi/2020)**

The demand and supply of goods are aspects of entrepreneurship that must be considered to determine entrepreneurs' continuity and output (Egharevba et al. 2022). The demand and supply of goods depend on the cost and the commodity's selling price. From the responses received, the increase in cost price had caused quite a setback to the entrepreneurs, as there has been a hike in the cost of commodities, affecting the selling price. A higher fee will automatically increase the selling price, affecting the quantity of goods their customers can afford. Due to the hike in selling price, the attitude of customers changed towards buying the commodity. One of the participants mentioned how bargaining had increased compared to when the border was opened. The negotiation process has always been a method of making prices favourable. For one, it has become a method customer use for their entrepreneurs to bring down the cost to suit their capability in terms of money at hand to purchase. The border closure has led to a behavioural change in entrepreneurs and their customers.

The ability of the government to enforce its rules or policies on the general public will require a group of people to help enforce those rules, check for irregularities, and ensure that society abides by such regulations. These enforcers act on the government's behalf to ensure that all guidelines are followed. In ensuring that the policy is strictly adhered to and all foreign commodities are effectively banned from society, the customs officials act as the government's representative whenever issues like border closure, importation and exportation must be addressed. Customs officials are always at liberty to extend their inspection mode beyond the border shores into markets to curb and seize the banned commodities. This was ascertained when a participant pointed out this:

The thing is, customs have been disturbing us for more than 4-6 months now. When they see some of our commodities that are not local, they seize them and carry them to their offices.

**(IDI/32/Female/Rice/Gbagi/2020)**

Another participant said:

Some people inside the market serve as informants to government officials. If they see someone packing rice into

their shop, some people will go and inform the customs. Even at night, businesses break into shops and pack our goods, a severe problem we have been facing.

**(IDI/37/Male/Rice/Gbagi/2020)**

A participant further showed how government officials apprehended their colleague's goods. She said:

Once, a government official entered the market and seized 140 bags from a woman's shop; the following week, they came again and took 70 sacks. This affected the woman's business as goods were reduced in her shop.

**(IDI/32/Female/Rice seller/groundnut oil seller/Bodija/2020)**

These challenges have led to some of the entrepreneurs' businesses folding up and some of them engaging in petty enterprises because of their incapability to access more goods and make more profit. Some of the participants had this to say:

The closure of the border affected those who were buying from neighbouring shops and reselling. They now engage in petty, petty businesses like selling biscuits.

**(IDI/45/Female/Rice/Groundnut oil/Bodija/2020)**

Another interviewee said:

Some people had to close their shops because of financial issues. Imagine someone buying five bags of rice before should be buying two bags; such persons will not be happy to continue the business. It is either the person stops the company and looks for something else to do

**(IDI/30/Male/ groundnut oil/Gbagi/2020)**

However, none of the *Okrika* or frozen food sellers folded up because of the border closure policy. This is not because they were not affected by the policy but because some support themselves with other commodities such as fish, local chicken and turkey. One of the participants said:

I am not aware of any frozen seller packing up. Although the business has not been smooth, I have been able to support myself with other forms of commodity, so I am not feeling the effect of the border closure. For instance, I rear local chicken, and I resell

**(IDI/40/Male/Frozen food/Bodija/2020)**

This did not automatically exclude frozen food sellers or *Okrika* sellers from encountering challenges. A frozen food seller said:

The price of frozen food has increased. Imagine buying a pack of frozen chicken for a ridiculous amount. How much will we sell them, what will be the profit we will get from it?

**(IDI/43/Female/frozen food/Gbagi/2020)**

Some results obtained during this study align with the past work of (Ikeje and Onuba, 2015), while some negate previous research. Some of the challenges that were discovered to be faced by these entrepreneurs are inaccessibility to preferred commodities, inaccessibility to local commodities, consumers' complaints, increment in cost price, and quality and quantity of products. The enactment of the policy was to perform a functional role, which is the manifest function of improving the local economy, which it is said to have committed to a large extent. However, the policy

brought about some unintended consequences, leading to its dysfunction. The emergence of some challenges due to the enactment of the policy, according to Merton (1938), is what he regarded as the dysfunctional aspect of an act, in this case, the border closure policy. For instance, the purchasing value of goods has skyrocketed, which now poses a challenge to the entrepreneurial activities of retailers dealing with goods transported through the border. The study found an increment in the price for all the commodities in the producer/wholesaler-to-retailer relationship and retailer-to-customer relationship. The purchasing value of things has increased, affecting how the retailers will sell their goods. The high price of commodities led to retailers selling their items on the high side, affecting customers' demand for goods. From the retailers' (entrepreneurs) aspect, they maintain their former profit even though commodity prices have increased. At the same time, the consumer uses the bargaining strategy to try to bear the cost of buying their goods from retailers. All these are, however, the unintended consequences of enacting the border closure policy.

*Entrepreneurial coping strategies.* More often than not, humans are characterised by the ability always to survive when faced with challenges. Finding alternatives and employing a different mechanism to solve an issue can be described as coping mechanisms or strategies. On the part of the entrepreneurs because of the continuous clamour for commodities by customers, entrepreneurs (retailers) still find ways through which they can gain access to the banned items (Jurji et al. 2018). Some of the challenge's entrepreneurs mentioned in the preceding objectives need a method of navigating through them to ensure that each remains relevant in their scope of business. As a result, entrepreneurs were asked about the new mechanism they have adopted to have access to foreign commodities; some of their comments are as follows:

I can't tell you, but we get it from where they get it from. For me to tell you, what is it? I can't say; maybe it is the one they stored before the border was closed; I have yet to learn.

**(IDI/30/Male/rice seller/Bodija/2020)**

Another interviewee said:

They have yet to close the border very well because we still access some of our commodities in small quantities through our links. I do not know who they are because I am neither the driver nor the carrier, so I don't know. We only make payments and supply our goods.

**(IDI/37/Male/Rice/Gbagi/2020)**

The above responses on the mechanism entrepreneurs adopt to access some foreign commodities suggest that other key players are involved in the accessibility process to prohibited foreign items. The participants who tried to answer the question regarded these critical players as links without explaining who they were. When probed further, one of the participants just said the carriers or drivers. These points to the fact that their adopted methods as a coping mechanism to access foreign commodities their customers need are legal, which explains why they would prefer to refrain from expounding on their networks and mode of operation.

Regarding how the entrepreneurs have managed interactions with the government officials, the participants' response showed that though the customs are dutifully doing their job with no bribery or corruption, that would have facilitated the release of goods back to the entrepreneurs. More importantly, the participants could explain their different methods to prevent

the customs officials from seizing their goods. Some of these mechanisms are described by the participants thus:

When custom comes, you cannot persuade them because they are doing their duty, especially when there are many, but if they are like two, you can beg them with please or give them little you have. But if they are plenty, you can't, and they will seize your goods and take them to their office.

**(IDI/45/Female/Rice/groundnut oil seller/Bodija/2020)**

Another participant said:

Anytime we hear customs coming, we pack our goods and lock the shop, and we don't even display foreign rice outside. Due to the fear of customs officials, some people store their rice at home while others store their rice in the bush.

**(IDI/45/Female/Rice/groundnut oil/Bodija/2020)**

A female participant also said:

We hide our goods so that they will not seize them. We do not have free access to display our goods outside; that is a fact.

**(IDI/32/Female/Rice/Gbagi/2020)**

From the responses above, entrepreneurs have adopted different mechanisms to protect their goods from being seized by customs officials. It can be deduced from their reactions that locking shops, hiding goods at home or in bushes, and pleading with customs officials are mediums through which entrepreneurs can ensure their business continuity. One of the participants made an important note on how the number of officials that come around determines the ability to be able to plead with them, and they accept the plea. For any business, it is essential to advertise and display its products, which serves as a means to call the attention of prospective customers. With the current state of border-related entrepreneurial activities, entrepreneurs have been inhibited from purchasing foreign products simply because they banned those commodities from Nigeria. Undoubtedly, government officials have the capacity and the legal backing to seize prohibited goods from entrepreneurs. Still, during the study, participants, especially rice sellers, spoke about having associations that solicit on their behalf. Two of the participants who were rice sellers had this to say:

There are people like associations; they are the ones who go on our behalf to get our goods back. Take, for instance, when they come to seize our goods, the association goes on our behalf to settle them from our pocket, which is due paid by each member of the association

**(IDI/37/Male/Rice seller/Gbagi/2020)**

Another individual said:

We have an association, but we cannot fight a government with the customs officials; we still try to settle them and get our goods back

**(IDI/43/Female/Frozen food seller/Gbagi/2020)**

Association and belongingness must be addressed in a business environment as they function and act as an intermediary between the entrepreneurs and the government. From their responses, these associations solicit and settle the customs officials when the goods of their members get to be seized.

The question of interest to this research was how the entrepreneurs still have access to foreign commodities. Some of

the responses pointed out the respondents' unwillingness to give out that information; all they said was that they have 'links' that give them access to their goods. They, however, linked the accessibility of their 'links' to these commodities to the porosity of the border. From Sahara Reporters (2019), one of the most reliable means of accessing banned commodities is through smuggling through waterways and land (due to the porosity of the border), while for this study, they are known as links. Okorie and Enwere (2020) and Abegunde and Fabiyi (2020) affirmed that the government decided to curb smuggling by closing the border. However, the illegal act is still actively carried out because of the entrepreneurial need to access their desired commodities. Based on Merton's (1938) theory of functionalism, government officials and governments are expected to perform a role that will ensure the functional part of the policy is being actualised, such as safeguarding the borders. Still, the agencies involved (government and their officials) must actively perform their roles, hence the porosity of the border.

The social structure of society allows for people or a fraction of individuals to make up a group that is bound by rules, norms, and culture and, more importantly, serves as a support system during challenges or shocks. These groups could range from religious groups, clubs, associations, and cohorts to represent, support, and protect their people and activities. Associations often protect businesses or jobs. For instance, the academic staff of Universities in Nigeria are protected and represented by the Academic Staff Union of Universities (ASUU). Their rules, regulations, and activities bind every academic staff member in public universities. The same applies to other institutions, businesses or even entrepreneurship. It was also found that most entrepreneurs in Ibadan Metropolis are under an association that serves as spokesman and solicit on behalf of their members. The participants mentioned how the association meets with the customs officials and settles them from the association pocket (money contributed by the members) in exchange for their members' commodities.

### Conclusion/Recommendation

Findings from this study point out how much power the government harnesses to determine the state of entrepreneurship in Ibadan Metropolis, and they can either improve the business environment or destroy it depending on what policy they decide to implement. The concern of each entrepreneur also differs based on their entrepreneurial activities. For some, it is the purchasing value of the commodity, the illicit disturbance of government officials (customs) on their business, the quality of the product over quantity and vice versa. To this end, the policy needed to be more exhaustive as it did not consider all stakeholders, such as the retailers, before implementing it. From the challenges faced by retailers due to the enactment of the border closure policy, the respondents' favourable opinion explained the policy's functional aspect.

In contrast, the challenges pointed out the dysfunctional part of the policy. The paper concludes that though the border closure policy is functional in the real sense of its implementation, it is also dysfunctional to the activities of some groups of people within the society. Hence, all stakeholder needs to be considered when implementing a policy. Moreover, entrepreneurs, on the other hand, need to understand the reasons behind policies that are implemented within the system. Entrepreneurs need to be educated and sensitized on the impact and usefulness of any government decision on the business environment to prevent opposition within the society. In addition, the security of the border (land border) from its porosity and not the closure of the border should be of much concern to the government and their

officials; hence, the government should tighten up the borders by having strict regulations when it comes to trading, importation and exportation of commodities across borders.

**Study limitations.** As typical of any research endeavour, this study is affected by certain shortcomings which are highlighted below:

Firstly, the sample size for this study appears limited compared with the number of entrepreneurs in the study location. This will largely affect the study's generalizability.

Secondly, the results could be driven by the consequences of the COVID-19 outbreak since the interviews have been conducted during the pandemic. The inaccessibility to commodities could be due to the international sanitary crises and their related policies and is not necessarily related to the border closure policy. Lastly is the variety of businesses in the study; the sensitivity and the conditions of preservation of certain products such as frozen food differ from those of rice or oil. Hence, the effect of border closure on business depends also on the nature of commodities.

### Data availability

The data for this study is embedded in the manuscript.

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### Author contributions

DB: Conceived the idea and contributed to the literature. DK: Collect and analyse the data. OYO: Wrote the manuscript and handles correspondence. TG: Proofread and contributed to the reviewers' comments.

### Competing interests

The authors declare no competing interests.

### Ethical approval

Ethical approval was sought and obtained from the Social Sciences and Humanities Ethical Committee (SSHEC) of the University of Ibadan with the approval number UI/SSHREC/2020/0085.



**Informed consent**

Each participant was duly informed about the purpose of this study and the implications of their involvement. Each respondent gave their consent orally before the interview was conducted.

**Additional information**

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