

EFFECT OF BORDER CLOSURE ON THE BUSINESS ACTIVITIES OF BORDER COMMUNITIES IN NIGERIA.

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ABSTRACT

This study investigated the impact of border closures on the business activities of border communities in Nigeria, specifically focusing on the effects on small businesses in Idiroko and Seme. Employing a descriptive research design, the study used purposive sampling to collect data from the 60 small business owners in these areas, with convenience and simple random sampling methods to select the respondents. Data were analyzed using inferential and descriptive statistics, as well as multiple regression analysis, with a 5% significance level to test the study's hypotheses. The results indicated that border closures significantly affect the recreation and entertainment sectors of the hospitality industry in border communities. The study concludes that border closures significantly affect the recreation and entertainment sectors of the hospitality industry in border communities. It is recommended that Hospitality businesses in border communities should diversify their services to reduce dependence on cross-border traffic. By expanding offerings to include virtual events or local community engagement activities, businesses can maintain revenue streams even during border closures.

Keywords: Border closure, Entertainment & Recreation activities, Event hosting

INTRODUCTION

Border closures are a significant strategy employed by countries worldwide to address various economic, security, and health challenges. Historically, border controls have been utilized to monitor unlawful activities, protect domestic industries, and preserve local markets. The COVID-19 pandemic led to unprecedented global border closures, highlighting the crucial role borders play in maintaining economic stability and national security (World Bank, 2020). However, these closures often disrupt businesses and livelihoods, significantly impacting trade, tourism, and local economies.

In Africa, border closures are common and are often driven by smuggling, security concerns, and economic policies aimed at protecting domestic industries. While the African Continental Free Trade Area (AfCFTA) seeks to reduce trade barriers across the continent,

individual nations sometimes close their borders to address specific security and economic issues (UNECA, 2019). These restrictions can significantly affect the informal sector, which comprises a substantial portion of the African economy, as well as local markets and cross-border trade.

Nigeria, with its extensive geographical borders, has experienced multiple border closures over the years, often justified by the need to curb smuggling, protect local businesses, and address security threats. For instance, in 2019, the Nigerian government closed its borders to curb the smuggling of rice and other goods, promote domestic agricultural production, and prevent the export of subsidized petrol (NBS, 2020). While these policies aim to enhance domestic security and economic growth, they also impact the day-to-day operations of businesses, particularly in border regions.

Nigerian border closures are primarily enforced to prevent the country from becoming a dumping ground for illegal and low-quality goods, with the objective of fostering growth and protecting domestic businesses from unfair competition. This policy supports local industries by reducing reliance on imports and encouraging the consumption of locally produced goods. However, it can have adverse effects on local economies, particularly in border communities where trade and commercial activities like hospitality, entertainment, and recreation are vital to the local lifestyle. Businesses in these areas often depend on the movement of goods and tourists, so border closures can lead to reduced consumer spending and economic downturns. The policy is also driven by the significant issue of smuggling, especially of rice, which undermines local agriculture and poses health risks due to the poor quality of the smuggled goods. Although the government seeks to deter smuggling and encourage domestic rice production, restrictions on cross-border trade and movement can disrupt informal trading networks in border communities. This disruption may lead to a decline in patronage and revenue for businesses in the hospitality industry, particularly those offering recreation and entertainment services and hosting events.

The fuel subsidy scheme in Nigeria has led to significant smuggling activities, with cheaper petrol being illegally exported to neighboring countries. Border closures aim to curb this illicit trade and ensure that the community benefits from subsidies (NNPC, 2021). However, this approach may cause fuel shortages in border regions, affecting both the economy and transportation. Reliable transport is essential for hospitality-related activities, including recreation, entertainment, and event hosting. Fuel shortages can increase operating costs, reduce visitor numbers, and negatively impact the viability of businesses in the hospitality industry.

In conclusion, border closures in Nigeria have a profound impact on the hospitality industry, particularly in the areas of recreation, entertainment, and event hosting, due to the need to prevent the nation from becoming a dumping ground, promote local industry growth, curb smuggling, and stop the export of subsidized petrol. While these policies are

beneficial for national security and economic goals, they pose significant challenges for businesses in border regions. Understanding these implications is crucial for developing policies that balance national objectives with the economic well-being of border communities.

Border closures have become a key policy tool used by many countries to address issues related to public health, security, and economic stability. While these closures aim to protect domestic industries and curb illegal activities, they can have significant and varied impacts on local economies, particularly in border regions. In Nigeria, recent border closures were implemented to prevent the country from becoming a dumping ground for inferior goods, promote the development of domestic industries, curb the smuggling of goods like rice, and prevent the illegal export of subsidized petrol (NBS, 2020).

In many Nigerian border communities, the entertainment and recreation industries play a crucial role in local economic survival. These industries rely heavily on the movement of people and goods, which is severely disrupted by border closures. Restrictions on cross-border trade can disrupt supply chains essential to these industries, leading to increased costs and decreased profitability for businesses that depend on imported goods and services (Olayiwola, 2021). For instance, companies that host events often require various imported items, which may become more expensive or unavailable due to border closures, resulting in higher operational costs.

One of the primary objectives of border closures is to protect Nigeria from becoming a repository for illicit and low-quality goods. While this strategy is designed to safeguard local businesses and consumers, it can disrupt the flow of goods into border communities, leading to a decline in business activities and dissatisfaction among customers (CBN, 2019). Companies in the entertainment and recreation sectors may struggle to find suitable local substitutes for imported goods, leading to a downturn in economic activity and potential job losses.

Another key reason for border closures is to promote the growth and development of local industries by limiting imports and encouraging

the consumption of locally produced goods (NNPC, 2021). However, this policy can have unintended consequences for the leisure and recreation industries in border areas. These businesses often rely on both domestic and foreign products to meet the diverse needs of their customers. The limited availability of imported goods can lead to higher prices, reduced options, and lower customer satisfaction, ultimately affecting the profitability and sustainability of these businesses.

Smuggling, particularly of goods like rice, is a longstanding issue that border closures aim to address. Smuggling undermines local agricultural production and poses health risks due to the unregulated quality of smuggled goods (NBS, 2020). However, informal trade networks that facilitate smuggling are a vital part of the economy in many border areas. Disrupting these networks through border closures can lead to reduced clientele and revenue for businesses in the entertainment and recreation sectors, increasing poverty and reducing economic opportunities in these communities.

Additionally, Nigeria's policy of subsidizing petrol has led to significant smuggling activities, with cheaper petrol being illegally exported to neighboring countries. Border closures are intended to curb this illicit trade and ensure that subsidies benefit the local population (NNPC, 2021). However, this approach can result in fuel shortages in border regions, negatively affecting businesses in the entertainment and leisure industries. Fuel shortages can drive up operating costs, reduce visitor numbers, and, in some cases, lead to business closures, as reliable transportation and energy supplies are crucial for these enterprises.

In conclusion, while border closures in Nigeria are intended to address critical issues such as protecting the nation from substandard goods, promoting local industry, curbing smuggling, and preventing the export of subsidized petrol, they have significant negative impacts on the commercial activities of border communities. The entertainment and recreation sectors are particularly vulnerable to these disruptions due to their reliance on the free flow of people and goods. Policymakers must carefully balance national economic and security goals with the

need to sustain local economies and livelihoods in border regions.

Several studies, including those by Kolawole et al. (2020), Ani et al. (2020), Okorie and Enwere (2020), and Omodunbi et al. (2022), have explored various dimensions of border closure in Nigeria. These studies have focused on the effects of border closures on the Nigerian economy, the socioeconomic development resulting from the closure of land borders, the role of national border closures as a paradigm shift in the country's sustainable foreign policy, and the political implications of border closures on the economy. However, there is a noticeable gap in the literature regarding the specific impact of border closures on the commercial operations of border settlements, particularly in terms of how these closures affect local industries such as entertainment, recreation, and event hosting. This study aims to address this gap by examining the direct consequences of border closures on the business activities within these border communities, providing a more localized understanding of the economic and social impacts of such policies.

Research Questions

The study was guided by the following research questions:

- i. To what extent has the border closure affected the recreation and entertainment industry within the hospitality industry in border communities?
- ii. How has the border shutdown influenced the event hosting capabilities of the hospitality industry in border communities?

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

Concept of Border Closure

Border closures serve as a policy tool frequently utilized by governments to tackle challenges related to national security, economic safeguarding, and public health. This approach is commonly applied to reduce smuggling, shield domestic industries from

foreign competition, and block the entry of illegal goods (Agwu et al., 2023). A notable instance is the Nigerian government's decision to close its borders to counteract the smuggling of rice and other illegal items, support local agricultural production, and prevent the export of subsidized petrol (NBS, 2022). While such border closures can help achieve these objectives, they also have far-reaching consequences, including disruptions to local economies and impacts on cross-border trade, particularly in areas that depend on the free flow of goods and people (Olayiwola & Adebayo, 2023). These measures underscore the ongoing conflict between national priorities and the economic welfare of border communities.

Reasons For Border Closure in Nigeria

Dumping ground

The term "dumping ground" refers to the practice where one country exports large volumes of low-quality or excessively cheap goods to another country, often at prices below those in the exporter's home market. This can negatively impact the importing country's local industries, which may struggle to compete with the influx of cheaper products. In Nigeria, this term is used to describe the detrimental effects of open borders on local manufacturing and agricultural sectors, leading to policy measures such as border closures to shield domestic markets (NBS, 2020). These measures aim to prevent the local economy from being overwhelmed by inferior foreign products, thereby supporting the growth and development of domestic industries (Olayiwola, 2021). This approach is consistent with broader economic strategies designed to enhance self-sufficiency and protect against unfair trade practices (CBN, 2019).

Local industry growth and development

Local industry growth and development pertain to the expansion and enhancement of domestic industries within a country, emphasizing increased productivity, innovation, and competitiveness. This often involves government initiatives aimed at supporting small and medium-sized enterprises (SMEs),

improving infrastructure, and creating a favorable business environment. Recent studies highlight the importance of local industry growth in driving economic resilience and diversification. For example, Smith (2022) notes that effective local industry policies can reduce the effects of global economic fluctuations by strengthening domestic supply chains and generating employment opportunities. Additionally, Johnson and Lee (2023) assert that technological advancements and access to financing are essential for the sustainable development of local industries, allowing them to compete effectively in international markets. These insights emphasize the need for strategic interventions to foster local industry growth and development as a pathway to achieving long-term economic stability and prosperity.

Smuggling of products such as rice

Smuggling, particularly of items like rice, is a major issue impacting economies, especially in areas with strict border controls and high tariffs. This illegal activity disrupts local industries by inundating markets with cheaper, often lower-quality goods, which can hinder domestic production and result in significant revenue losses for governments. In Nigeria, rice smuggling has been a recurring problem, worsened by the closure of land borders intended to combat this trade. Despite these efforts, smuggling continues due to porous borders and the strong demand for lower-priced alternatives (Smith & Brown, 2023; Adeyemi, 2022). Additionally, rice smuggling not only undermines economic stability but also presents health risks due to the lack of regulatory oversight on these goods (Oluwaseun, 2021). Tackling this issue requires a comprehensive approach that includes enhancing border security, boosting local agricultural output, and improving cross-border cooperation (Ekpenyong, 2023).

Exportation of subsidized petrol

Exportation of subsidized petrol, a common issue in resource-rich developing countries, involves selling domestically subsidized fuel to neighboring regions at higher market prices. This practice undermines the purpose of subsidies, which are intended to make fuel affordable for local populations and support domestic economic activities. In Nigeria, for

example, the government's petrol subsidy is designed to alleviate financial pressure on citizens. However, due to porous borders and weak enforcement, large quantities of this subsidized petrol are smuggled to neighboring countries where it commands higher prices, exacerbating fuel shortages and economic instability within Nigeria. The World Bank (2021) noted that such practices drain public finances and create artificial shortages, leading to frequent fuel crises. Furthermore, the International Energy Agency (IEA) (2022) pointed out that smuggling subsidized petrol compromises regional energy security and hampers efforts to reform fuel pricing policies, thus perpetuating economic inefficiencies and illicit trade networks. Addressing this challenge requires stringent border controls and enhanced regional cooperation to alleviate the negative impacts on both the domestic and regional economies.

The Concept of Business Activities

Business activities in the hospitality sector, notably in entertainment, recreation, and event hosting, play a vital role in enhancing customer satisfaction and boosting revenue. These activities include a variety of services such as live shows, recreational amenities, and event coordination, all tailored to address various customer preferences. Recent research highlights that incorporating innovative technologies and personalized experiences in these areas greatly enhances customer satisfaction and loyalty (Smith & Johnson, 2023). Moreover, there is a noticeable trend towards offering experiential entertainment and recreation, with businesses aiming to create unforgettable experiences for their clients (Brown & Lee, 2022). The field of event hosting has also evolved to encompass interactive and themed events, in response to the increasing demand for distinctive and immersive experiences (Davis, 2023). This shift underscores the adaptability of hospitality business activities to evolving consumer expectations and market trends.

Entertainment & recreation activities

Entertainment and recreation activities encompass a broad spectrum of leisure pursuits designed to provide enjoyment, relaxation, and social interaction. These activities include attending concerts, theater performances, sporting events, festivals, amusement parks, and engaging in hobbies such as hiking, dancing, and gaming. Stebbins (2023) highlights that these activities are essential for improving individuals' quality of life by facilitating social connections, relieving stress, and promoting physical fitness. Additionally, entertainment and recreation significantly impact the economy by generating employment and boosting tourism and local businesses (Murray & Smith, 2022). The rise of digital technology has further broadened the scope of recreational activities, enabling virtual experiences and the growth of online communities (Kim et al., 2021). Consequently, the field of entertainment and recreation continues to evolve, mirroring shifts in societal preferences and technological innovations.

Event hosting

The landscape of event hosting has undergone significant changes in recent times, driven by technological progress and evolving social norms. These changes aim to boost attendee involvement and overall experience. Today's event hosting incorporates virtual and hybrid models, making events more accessible and inclusive. Digital tools have revolutionized event planning and execution, creating new avenues for interaction and networking, as noted by Getz and Page (2020). Bowdin et al. (2022) emphasize the growing focus on sustainability in modern event management, with increasing efforts to minimize environmental impact through responsible sourcing and waste handling. These shifts represent a broader movement towards more flexible, welcoming, and environmentally conscious event hosting practices in our current era.

Theoretical Framework

Theory of Comparative Advantage

David Ricardo's Theory of Comparative Advantage explains that international trade is based on countries' relative efficiencies in producing goods, not absolute production costs. This idea, further developed by economists like James Mill and Robert Torrens, can be

illustrated using Nigeria and Niger Republic as examples.

The theory suggests that even if one country is more efficient at producing everything, specialization and trade can still benefit both nations. For instance, Nigeria might excel in certain goods while Niger Republic specializes in others, promoting cross-border trade due to their shared boundary.

Ricardo argued that trade hinges on comparative rather than absolute advantages. He used an example of England and France to show that even if one country has an absolute advantage in producing a good, trade may still not occur if the relative advantage isn't significant enough.

This principle applies to individuals as well. If two people can make shoes and hats, but one person is better at both tasks (especially shoe-making), it's beneficial for that person to focus on shoes while the other makes hats. When applied to countries like Nigeria and Niger Republic, this specialization can boost tariff revenues, provide cheaper imports, and create jobs.

However, closing borders negates these benefits. It prevents efficient resource allocation based on each country's strengths, leading to higher production costs and reduced economic welfare. For Nigeria and Niger Republic, border closures would disrupt specialized trade flows, increasing prices and limiting product availability. This can result in economic inefficiencies, including higher costs for consumers and businesses, reduced tariff income, and job losses in trade-dependent sectors.

In essence, border closures undermine the advantages of comparative advantage, highlighting the importance of open borders for maximizing economic benefits and fostering development between trading partners.

Empirical Review

Ani et al., (2020) explored the effects of Nigeria's border closures on its economy, particularly focusing on the decision to shut its land borders with Benin, Niger, and Cameroon in October 2019 to regulate imports. This measure increased government revenue through higher duties on goods entering legally via ports but also led to food price inflation due to a decrease in rice supply, adversely affecting Nigerian consumers. Their study, which utilized secondary data, argues that import

barriers like border closures harm the economy because consumer interests should take precedence over protecting inefficient producers. The closure also resulted in losses for foreign exporters within the ECOWAS region, who began rejecting Nigerian goods. The authors recommend that Nigeria diversify its economy beyond oil and agriculture by adopting market-friendly policies to attract both foreign and local investments in other sectors, such as manufacturing, rather than relying on border closures.

The variables and methodology that is been used is not stated clearly

A study by Kolawole et al. (2020) looked at how residents of Saki city, Oyo State, Nigeria, fared socioeconomically when land borders were closed. 180 farmers were given a structured questionnaire as part of their descriptive survey design. 166 of these had accurate responses when completed and returned. Regression analysis was carried out with SPSS version 20 to estimate the regression models after a hypothesis was developed. The probability of the F-statistic (14.924) and the adjusted R² value of 0.137, according to the data, demonstrated the statistical significance of the study model. Nonetheless, the findings showed that the research area's population's socioeconomic conditions were negatively impacted by the land border closure. The study suggests reviewing the border closure policy in light of these findings. The work can be enhanced by expanding it to other border community; it was completed in Oyo State.

From an Economic Nationalism perspective, Okorie and Enwere (2020) examine the closing of national borders as a major change in Nigeria's foreign policy development. According to the study, the goal of this government action is to exercise control over the country's resources in order to maximise advantages for its residents. The study makes the case—based on secondary data—that Nigeria puts its own national interests ahead of those of other African countries, which could have an impact on regional trade accords like the African Continental Free Trade Agreement (AfCFTA). The report claims that Nigeria's stance is in line with its concentric circle foreign policy, prioritising the welfare and interests of its inhabitants over more general

regional and global considerations, despite possible negative effects on regional trade.

A study on the political ramifications of border closure and its effects on the Nigerian economy was carried out by Omodunbi et al. in 2022. Secondary sources such books, articles, journals, newspapers, and other published materials were the main source of information used in the research. According to their results, Nigeria's international trade agreements were jeopardised and its economy suffered as a result of the closure of its land borders. The closing of the border led to retaliation against Nigeria by certain African countries. In order to draw in both domestic and foreign investment and grow the Nigerian economy, the report advises the Nigerian government to give priority to funding local business owners and the agriculture industry.

The study's demographic and sample size were not specified, and by expanding it to a different industry, the work could be strengthened.

Literature Gap

Numerous studies on the impact of land border closures on socioeconomic development have been conducted both domestically and internationally. Examples of these studies include Ani et al. (2020), Kolawole et al. (2020), Okorie and Enwere (2020), and Omodunbi et al. (2022). To the best of my knowledge, the majority of them examined national border closure as a paradigm change in the creation of sustainable foreign policy in Nigeria or examined border closure and its effects on the country's economy. This study, however, focused on the impact of border closures on commercial operations in Nigerian border villages. By discussing elements of border closure like dumping grounds, local industry growth and development, smuggling of goods like rice, exportation of subsidised petrol and their effects on business activities—which were proxied by leisure and

Reliability Test

Variables	No of Items	Cronbach's Alpha
BC	5	0.85
ENT	5	0.72
EHH	5	0.74

Source: Researchers Computation (2023)

entertainment activities and event hosting the study closes the gap.

METHODOLOGY

In order to get a quick picture of the situation as it was during the border closure in Idiroko and Seme, the study used a descriptive survey design. For the purpose of reducing respondent bias during interviews and questionnaire dissemination, simple random sampling techniques was used. The study encompassed 30 enterprises each from Idiroko and Seme, representing the company owners in these localities as the population of interest. Sixty of the seventy surveys that were provided were entirely completed. The primary data, collected via structured questionnaires utilizing a 5-point Likert scale, focused on the impact of border closure on business activities. Descriptive statistics such as frequencies and tables were used for data analysis, complemented by simple regression analysis to test hypotheses relating to the effects of border closure on business activities in Nigeria and the model was:

$$ENT = \alpha + \beta_1 BC$$

$$\dots\dots\dots 3.1$$

$$EHH = \alpha + \beta BC \dots\dots\dots 3.2$$

Here's a paraphrase of the given text:

To assess the reliability of the research instruments, Cronbach's alpha was employed. This coefficient is widely recognized as an effective measure of reliability, showing how well the items in a questionnaire correlate with each other. In management science, Cronbach's alpha is the most common method for evaluating internal consistency and reliability. The outcomes of the reliability test are presented in the table that follows.

The internal consistency of the study's constructs is measured by reliability. If the Alpha (α) value of a construct is higher than .70,

it is considered dependable (Hair et al., 2013). Cronbach's alpha was used to measure construct dependability.

4.0 DATA PRESENTATION AND ANALYSIS

Table 4.1

Returned Questionnaire	60
Percentage of returned Questionnaire	86%
Unreturned Questionnaire	10
Percentage of not returned Questionnaire	14%

Source: field survey, 2023

One hundred and fifty (60) copies of the questionnaire were distributed to the respondents of two particular small enterprises,

Idiroko and Seme. Of these, 10 copies were not returned, while the remaining copies were duly filled out and submitted for analysis.

Hypotheses Testing

Hypothesis 1:

H₀₁: Border closures have no significant impact on the recreation and entertainment industry within the hospitality industry in border communities.

Model 1

$$ENT = \alpha + \beta_1 BC \dots\dots\dots 3.1$$

Table 1 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.656 ^a	.431	.421	.48086

a. Predictors: (Constant), BC

Source: Generated using SPSS Output Version 27.0

Table 1's Model Summary reveals a moderate correlation between the predictor (BC) and the dependent variable, with an R value of .656. The R Square value of .431 indicates that 43.1% of the variance in the dependent variable is explained by the model. The Adjusted R Square value of .421 suggests a slight adjustment for the number of predictors in the model, confirming the model's moderate

explanatory power. The standard error of the estimate (.48086) reflects the typical deviation of the observed values from the regression line. Decision Rule: Since the R Square value is above .3, the model is considered to have a moderate fit, indicating that the predictor (BC) explains a reasonable proportion of the variance in the dependent variable.

Table 2 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	10.146	1	10.146	43.881	.000 ^b
	Residual	13.411	58	.231		
	Total	23.557	59			

a. Dependent Variable: ENT

b. Predictors: (Constant), BC

Source: Generated using SPSS Output Version 27.0

Table 2's ANOVA results show that the regression model is statistically significant. The F-value of 43.881 with a significance level (p-value) of .000 indicates that the predictor (BC) significantly explains the variance in the

dependent variable (ENT). Decision Rule: Since the p-value is less than .05, we reject the null hypothesis, confirming that the predictor (BC) has a significant impact on the dependent variable (ENT).

Table 3 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.998	.431		2.314	.024
	BC	.737	.111	.656	6.624	.000

a. Dependent Variable: ENT

Source: Generated using SPSS Output Version 27.0

Table 3's coefficients indicate that the predictor variable (BC) has a significant positive effect on the dependent variable (ENT). The unstandardized coefficient (B) for BC is .737, with a t-value of 6.624 and a significance level

(p-value) of .000. Decision Rule: Since the p-value is less than .05, we reject the null hypothesis, confirming that BC significantly and positively influences ENT.

Hypothesis 2:

H₀₂: Border closures have not adversely affected the event hosting capabilities of the hospitality industry in border communities.

Model 2

$$EHH = \alpha + \beta_1 BC \dots\dots\dots 3.2$$

Table 4 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.800 ^a	.640	.633	.30554

a. Predictors: (Constant), BC

Source: Generated using SPSS Output Version 27.0

Table 4's model summary shows a strong correlation (R = .800) between the predictor (BC) and the dependent variable, with the model explaining 64.0% of the variance in the dependent variable (R Square = .640). The adjusted R Square of .633 further confirms the

model's reliability, with a standard error of .30554. Decision Rule: Since R Square is greater than .50, we conclude that the predictor (BC) has a strong explanatory power in predicting the dependent variable.

Table 5 ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	9.612	1	9.612	102.960	.000 ^b
	Residual	5.414	58	.093		
	Total	15.026	59			

a. Dependent Variable: EHH

b. Predictors: (Constant), BC

Source: Generated using SPSS Output Version 27.0

Table 5's ANOVA results indicate that the regression model, which includes the predictor (BC), is highly significant with an F-value of 102.960 and a p-value of .000. Decision Rule:

Since the p-value is less than .05, we reject the null hypothesis and conclude that the predictor (BC) significantly explains the variance in the dependent variable (EHH).

Table 6 Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.277	.274		4.659	.000
	BC	.717	.071	.800	10.147	.000

a. Dependent Variable: EHH

Source: Generated using SPSS Output Version 27.0

Table 6's coefficients indicate that the predictor variable (BC) has a positive and significant impact on the dependent variable (EHH), with a Beta value of .800 and a t-value of 10.147, and a p-value of .000. Decision Rule: Since the p-value is less than .05, we reject the null hypothesis and conclude that BC significantly influences EHH.

Discussion of the Findings

The study found that border closures significantly affect the recreation and entertainment sectors of the hospitality industry in border communities. These closures have interrupted the flow of tourists and customers, resulting in reduced revenue and diminished activity in local entertainment venues and events. The findings suggest that border communities dependent on cross-border traffic for their hospitality businesses may encounter economic difficulties during border closures, highlighting the need for strategies to lessen these impacts and sustain the industry's viability. This conclusion supports the Nigerian government's embrace of a concentric circle foreign policy strategy, which puts citizen welfare ahead of broader regional or global concerns, and is consistent with the findings of Okorie and Enwere (2020). Theoretically, this alignment with comparative advantage theory suggests that nations gain from concentrating on industries in which they have a comparative advantage. In this case, this could be interpreted as the stimulation of local entertainment and recreation sectors as a result of border closures. When international options are limited, enterprises can leverage their advantages and boost domestic economic activity by giving priority to operations that meet local demand.

The study found that border closures have not adversely affected the event hosting capabilities within the hospitality industry in border communities. This indicates that these communities have managed to sustain their event hosting capabilities despite the restrictions, likely due to robust local demand or successful adaptation strategies. This finding aligns with Ani et al., (2020) study on border closure impacts on the Nigerian economy. The restrictions on cross-border travel reduce the pool of potential event participants, challenging the viability and attractiveness of such gatherings. This outcome resonates with Comparative Advantage theory, suggesting that

border closures prevent businesses from fully exploiting their specialized strengths in hosting international events. Consequently, these firms struggle to maximize attendance and leverage their comparative advantages during periods of restricted cross-border interactions, highlighting the broader economic implications of border closure policies on the hospitality sector.

CONCLUSION AND RECOMMENDATION

The study concludes that border closures have a profound effect on the recreation and entertainment sectors within the hospitality industry in border communities, significantly disrupting the flow of tourists and customers and leading to a marked decline in revenue and activity at local entertainment venues and events. These findings underscore the vulnerability of the hospitality industry in these regions to external factors like border policies, which directly influence their economic stability. However, the study also revealed that while border closures have notably impacted recreational and entertainment activities, they have not adversely affected the event hosting capabilities within these communities. This suggests that despite the reduced flow of patrons, the ability to host events remains stable, likely due to effective adaptation or strong local demand. The economic challenges posed by decreased recreational and entertainment activities highlight the need for strategic interventions to support and sustain the industry in such circumstances.

The study, therefore, makes the following recommendation

- iii. Hospitality businesses in border communities should diversify their services to reduce dependence on cross-border traffic. By expanding offerings to include virtual events or local community engagement activities, businesses can maintain revenue streams even during border closures.
- iv. Hospitality businesses in border communities should continuously monitor changes in travel restrictions and customer preferences

will allow businesses to adapt more quickly to evolving conditions, ensuring they can respond effectively to future challenges.

Contributions to knowledge

This study contributes to the existing body of knowledge by providing a nuanced understanding of how border closures impact different facets of the hospitality industry in border communities. Specifically, it reveals that while border closures significantly disrupt the recreation and entertainment sectors leading to reduced revenue and activity event hosting capabilities remain largely unaffected. This distinction enhances our understanding of how border policies influence various aspects of the hospitality industry differently, highlighting the adaptability of event hosting in contrast to other areas. The findings also underscore the need for targeted strategies to support the industry during such disruptions, offering valuable insights for policymakers and industry practitioners seeking to mitigate the economic impact of border restrictions.

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