

Global Diaspora and Local Ports: Maritime Transport, Trade Facilitation and Development

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Abstract

This research explores the interplay between global diaspora networks and local port development in Nigeria, focusing on maritime transportation, trade, and development. Although diaspora networks are increasingly acknowledged as a vital resource for national development through remittances, investments and knowledge diffusion, little attention has been paid to their potential for maritime sector development. Through a qualitative approach using secondary data, this research examines the role of diaspora networks in shaping trade and the impact of structural and institutional factors of the Nigerian port system on these dynamics of trade and investment. This research demonstrates that diaspora networks contribute to international trade by lowering transaction costs, improving market access, and functioning as a bridge between domestic and international markets. But these contributions are limited by structural and governance problems in Nigeria's maritime sector, such as port congestion, insufficient infrastructure, poor hinterland connectivity, and governance inefficiencies. This constrains the efficiency of Nigerian ports and undermines the potential benefits of diaspora-led trade and investment. It reveals a significant gap between diaspora opportunities and maritime performance, noting the lack of holistic policy approaches that link diaspora engagement with sectoral development plans. It finds that the potential for diaspora networks to drive trade and economic growth is significant, but depends on infrastructure, governance, and policy reforms. Our research adds to the existing literature by presenting a holistic perspective on the diaspora-maritime relationship and makes policy suggestions on how diaspora potential can be harnessed to enhance maritime development in Nigeria and other developing countries.

Keywords: Diaspora Networks, Maritime Transport, Port Development, Trade Facilitation, Nigeria, Infrastructure, Global Production Networks

Introduction

Shipping continues to be the lifeblood of international trade, carrying more than 80 percent of world goods trade, by volume. In developing countries like Nigeria, the effectiveness and efficiency of maritime transport systems, especially ports, play a pivotal role in economic

development, competitiveness and globalization. Ports are crucial nodes that connect domestic production networks with global trade networks, enabling imports and exports as well as investment. Notwithstanding this critical role, the Nigerian maritime sector continues to fall short of its potential, hindered by infrastructural shortfalls, governance problems, and inefficiency.

Meanwhile, globalization has heightened the impact of diaspora communities on cross-border economic development. The Nigerian diaspora, numbering in the millions and spread across Europe, North America, Asia, and other African nations, has become a formidable economic player. Diaspora actors contribute to national development through remittances, investments, trade, and knowledge transfer. Over the past few years, remittances alone have outpaced foreign direct investment in Nigeria, signaling the need for diaspora engagement in economic policy and planning. Diaspora communities are also crucial to global trade. Their embeddedness in the country of origin and destination countries allows them to play an intermediary role, bridging information gaps and lowering transaction costs. This enables diaspora entrepreneurs to link domestic suppliers to international markets, improve export potential, and foster international trade. In industries like logistics and maritime that require coordination across various jurisdictions, the diaspora can play a critical role in enhancing efficiency and market opportunities.

The link between diaspora engagement and maritime development in Nigeria has not been fully explored. Although previous research has focused on the role of the diaspora in economic development, and on the problems with Nigeria's port systems, there is little work that brings these two areas together. This gap is especially noteworthy since maritime infrastructure plays a critical role in supporting trade, the sector where diaspora engagement is most evident. Nigeria's port system, which includes key ports like Lagos Port Complex, Tin Can Island Port and Onne Port, accounts for most of the nation's foreign trade. Despite their critical roles, these ports are plagued by problems such as congestion, poor infrastructure, inefficient cargo procedures, and regulatory delays. These challenges not only drive up the cost of trade but also diminish the competitiveness of Nigeria's ports in the global market. For diaspora traders and investors, these inefficiencies can be a deterrent to participation, thereby preventing the full realization of the benefits of transnational networks.

The interaction between diaspora and maritime development is thus crucial. On the one hand, diaspora networks can boost trade, offer capital, and bring international best practices; but, on the other hand, inefficiencies in the maritime sector may limit the effectiveness of these factors. Moreover, the institutional and structural gaps in the maritime sector may limit the impact of these benefits. This dynamic is critical for the design of policies to harness diaspora resources in order to enhance port performance and stimulate economic development.

This research aims to fill the gap by exploring the relationship between the global diaspora and port development in Nigeria. In particular, the research seeks to understand the impacts of diaspora engagement in maritime transport and trade, the effectiveness of Nigeria's port systems, and the institutional and infrastructural factors that mediate this nexus. This study is based on the following questions; What is the role of diaspora networks in maritime trade and port use in Nigeria? What are the major bottlenecks in port performance and efficiency? How can diaspora contribute to maritime development? It is important for its multi-disciplinary perspective, drawing on diaspora studies, maritime transport, and development economics.

Through a comprehensive assessment of the diaspora-maritime link, the study adds to both theoretical and practical understanding. It provides insights for policymakers, port authorities and stakeholders to facilitate trade, investment and infrastructure development in Nigeria's maritime transport industry. The study therefore focuses on Nigeria's key port

systems and diaspora trade and investment. It offers a detailed analysis using secondary data sources, but lacks primary data collection, which could limit the inclusion of current stakeholder views. Nonetheless, the study provides insights into the institutional arrangements of maritime development in Nigeria.

Literature Review

Diaspora has become a prominent concept in development studies, shifting from an emphasis on migration to economically-engaged transnational actors. These communities have ongoing social, economic and institutional connections with their home countries and are involved in the exchange of capital, goods, knowledge, and services (Ausat, et-al., 2023). In this context, diaspora communities are not just passive recipients or senders of remittances but actors in the global economy who impact development at home.

Diaspora networks are especially important for developing countries for which access to international markets is often limited by institutional and structural factors. By their connections to both the home and host countries, diaspora actors play a role as market intermediaries. This allows them to mitigate information gaps, assist in trade, and improve access to markets. Consequently, diaspora involvement has come to be viewed as a resource for economic development.

One of the distinct characteristics of diaspora networks is the role of informal institutions. In many developing countries, formal institutions (legal, regulatory, and financial) may be underdeveloped or ineffective. In these circumstances, informal institutions, which are based on trust, identity and norms, play a vital role in economic interactions. Danquah and Sen (2022) suggest that informal institutions play a crucial role in reducing transaction risks and enhancing productivity through trust-building. This is especially important in the context of international trade, where the absence of information and uncertainty can be a barrier to cross-border transactions.

Sea transport is a critical component of global trade and economic development, facilitating the movement of goods across borders. Ports serve as key nodes that link local economies with the global economy, facilitating the movement of goods in and out of a country. As emphasised by Tae-Woo Lee et al. (2024), seamless transport and logistical networks are crucial for maintaining global trade by lowering transaction costs and improving supply chain efficiency. In Nigeria, ports like Lagos Port Complex and Tin Can Island Port are crucial to economic activities, managing most of the nation's maritime trade.

The link between diaspora participation and maritime development is the ability of diaspora networks to promote trade and investment through international connections. Diaspora members often have the financial, technical and global networks needed to support infrastructure investment and trade facilitation. Bolaji (2022) stresses the significance of diaspora finance as an alternative funding source for infrastructure development, especially in capital-intensive industries like maritime transport. But the impact of these contributions on development depends on the effectiveness of maritime systems and the institutional framework.

The link between diaspora involvement and maritime development can be traced back to several theories, including Transnationalism Theory, Global Production Network (GPN) Theory, and Trade Geography Theory. These theories offer explanations for how diaspora networks affect economic activities and how infrastructure affects trade. Transnationalism Theory describes the ways that migrants and their families maintain ongoing economic, social and political relations across borders. Far from cutting ties with home, diaspora groups establish transnational spaces in which interactions take place across different geographical sites (Tedeschi et al., 2022). Such cross-border connections enable the exchange of goods,

services, capital and knowledge, which in turn shapes development outcomes in both sending and receiving countries. In maritime trade, transnational linkages help diaspora actors to link local markets with global supply chains, thereby promoting trade integration.

Related to this is the Global Production Network (GPN) Theory, which highlights the interconnectedness of global economic activities. This theory underscores the spatial organization of production, distribution and consumption across multiple geographic locations, with logistics and transportation systems playing a vital role (Tae-Woo Lee et al., 2024). In this context, ports are not just transfer points for cargo but nodes that enable the flow of goods along global value chains. The effectiveness of these nodes can impact a nation's competitiveness.

The preceding perspective is enhanced by Trade Geography Theory, which examines the geography of trade and the impact of infrastructure on economic relationships. He and Li (2025) suggest that trade is shaped by location, connectivity, and accessibility. Ports play a pivotal role in these spatial networks, connecting hinterlands to the world. Well-functioning port networks boost trade, investment, and economic growth. But poor connectivity between ports and hinterlands can restrict these effects, especially in the developing world. The synthesis of these theoretical approaches underscores the synergy between social and infrastructural factors in economic activity. While transnationalism highlights the significance of diaspora networks in shaping cross-border exchanges, GPN and trade geography highlight the role of logistics, networks, and connectivity. These approaches offer a holistic perspective on the interaction between diaspora and port systems in shaping trade and development.

Diaspora finance is increasingly playing a key role in economic growth, especially in developing nations facing capital constraints. Diaspora remittances in Nigeria represent a significant source of foreign exchange, surpassing foreign direct investment. Bolaji (2022) notes that diaspora finance can be mobilized for infrastructure investment through financial instruments like diaspora bonds, funds, and public-private partnerships. Such financial tools offer alternative financing opportunities for capital-intensive industries such as shipping. Beyond their financial support, diasporas also contribute to trade. Their networks facilitate access to global markets, which helps to lower the costs of accessing foreign markets and improve export prospects. Okon and Dvouletý (2025) stress that diaspora networks play a crucial role in mobilizing diaspora direct investment by offering access to capital, markets, information, and management skills. They facilitate transactions by minimizing the costs through trust and cultural compatibility.

Diaspora investment can play a role in the maritime industry by contributing to the establishment of port and logistical infrastructure and shipping activities. Maritime transport is capital-intensive, making diaspora financing an important source of funding. Also, diaspora actors can bring international best practices in port management, logistics and regulatory frameworks, thereby enhancing efficiency and productivity. A further important role of diaspora actors is knowledge and technology transfer. Diaspora actors gain knowledge and expertise from their exposure to developed markets which can be shared with their home countries. Such knowledge-sharing can boost productivity, innovation and competitiveness in different industries. In the shipping industry, these may include the use of digital technologies, cargo handling technologies, and logistical coordination. But institutional and policy factors could affect the impact of diaspora activities. Danquah and Sen (2022) observe that although informal institutions can lower the transaction costs of economic activities, they can also hinder growth and integration with the formal economy. Inadequate regulatory frameworks, investment incentives and policy coordination can also limit diaspora engagement. Overcoming these barriers is crucial for harnessing the potential of diaspora finance and investment for development.

The efficiency of the maritime sector in Nigeria is crucial for its trade performance and growth. Ports are critical infrastructure for global trade, but their performance is hampered by several factors. Imikan and Jimmy (2026) highlight several factors including port congestion, infrastructure deficit and operational inefficiencies as key constraints to efficient port performance in Nigeria. Congestion is a longstanding issue that results in delays in cargo processing and higher operating costs. This affects trade by raising transaction costs and negatively impacting export competitiveness. Moreover, the lack of infrastructure, including port capacity, equipment, and hinterland connectivity, compounds these problems.

Port performance is also significantly influenced by governance and institutional issues. Red tape, corruption, and regulatory fragmentation contribute to a hostile business climate. These challenges not only deter local stakeholders but also diaspora investors who might consider investing in maritime infrastructure. Lack of transparent and effective regulatory frameworks erodes investor trust and restricts private sector involvement. In terms of trade, effective maritime transportation systems are vital for connecting local economies to the global market. Tae-Woo Lee et al. (2024) stress the need for integrated logistical systems in global trade. Thus, in Nigeria, port infrastructure and logistical systems must be improved to boost trade competitiveness and attract investment. Moreover, the spatial nature of trade underscores the need for port-hinterland connectivity. He and Li (2025) observe that adequate transport infrastructure is crucial for connecting production areas with ports. In Nigeria, connectivity is a major issue, hindering the efficiency of port operations and the cost of logistics. The findings of this study reveal several key themes regarding the role of diaspora networks and the performance of Nigeria’s maritime sector. These findings highlight both opportunities and structural constraints affecting trade and development outcomes. A summarized presentation of the key findings is provided in Table 1.

Table 1: Summary of Relevant Literature

Author	Focus Area	Key Findings	Relevance to Study
Ausat, et al.	Diaspora networks	Enhances trade and development	Conceptual foundation
Danquah & Sen	Informal institutions	Reduces transaction risk	Explains trust systems
Tedeschi et al.	Transnationalism	Sustains cross-border ties	Theoretical base
Tae-Woo Lee et al.	Logistics systems	Enables global trade	Maritime relevance
He & Li	Trade geography	Ports shape development	Spatial insight
Okon Williams & Dvoulety	Diaspora investment	Drives trade and finance	Empirical support
Imikan & Jimmy	Nigerian ports	Infrastructure challenges	Contextual evidence
Bolaji	Diaspora finance	Supports infrastructure	Policy relevance

Source: Self-generated by the Author Using Ausat,et.al. (2023), Danquah and Sen (2022), Tedescht et al. (2022). Lee et al..(2024); He and Li(2025), Okon and Dvoulety (2025),;Imikan and Jimmy (2026), Bolaji (2022)

Theoretical Framework

This study draws on Transnationalism Theory, Human Capital Theory, and Social Cohesion Theory to constitute the theoretical framework in explaining how diaspora networks shape maritime transport, trade facilitation, and economic development in Nigeria. First, Transnationalism Theory holds that migrants sustain continuous social, economic and cultural ties across borders, thereby functioning as bridges between host and home countries. Applied here, the theory is used to explain how Nigerian diaspora actors connect local markets to international supply chains, reduce transaction costs, and expand global market access. Crucially, diaspora engagement extends well beyond remittances to encompass

technology transfer, institutional knowledge, entrepreneurial practices, and cultural influence, all of which bear directly on maritime and trade development.

Second, Human Capital Theory posits that knowledge, skills, and professional expertise are primary drivers of economic productivity. Nigerian diaspora professionals, having gained international exposure in shipping management, logistics, maritime law, port administration, and digital trade systems, represent a significant reservoir of human capital. This study argues that maritime development depends not only on physical infrastructure but equally on the quality of human capital embedded in institutions and logistical systems. Diaspora-driven knowledge transfer can therefore improve sector efficiency, competitiveness, and trade facilitation in ways that infrastructure investment alone cannot.

And third, Social Cohesion Theory explains how trust, shared identity, and collective cooperation underpin economic and social development. Diaspora networks frequently operate through informal, trust-based institutions built around common ethnicity, language, and national identity. In the maritime context, this cohesion reduces uncertainty in cross-border transactions, encourages business partnerships, facilitates investment flows, and supports collaboration between diaspora actors and local communities. Where formal governance structures are weak, diaspora social cohesion can partially compensate, albeit it cannot serve as a permanent substitute for institutional reform.

Beyond economics, diaspora engagement carries a cultural dimension for which this study also accounts. Diaspora communities promote Nigerian cultural products—fashion, textiles, crafts, and creative goods—through international trade networks, generating demand for local production and reinforcing homeland ties. Maritime logistics thus becomes not only an economic infrastructure, but a channel for cultural exchange, identity preservation, and creative-industry development as well.

Despite the growing body of literature on diaspora engagement and maritime development, significant gaps still remain. A prominent gap is the disconnection between studies on diaspora and maritime transport. The majority of research focuses on diaspora support for economic development or port performance, with little focus on their integration. Bolaji (2022) outlines the potential of diaspora finance for infrastructure development but emphasizes the need for more research on its use in specific sectors such as maritime transport. This hinders the formulation of holistic strategies to mobilize the diaspora for maritime development.

Policy fragmentation adds to the challenge. Diaspora policies are not integrated with other development strategies such as maritime transport. This leads to missed opportunities for using diaspora resources. The alignment of diaspora strategies with maritime development can lead to better trade facilitation, infrastructure development, and economic growth. Also, more research is needed on the impact of informal institutions in diaspora relations. These can support economic activities, but there is a need for more research on how these impact long-term growth and scalability (Danquah and Sen, 2022). Finally, these gaps can be redressed by adopting an interdisciplinary approach that draws on knowledge from diaspora studies, maritime economics, and development economics. The relationship between diaspora networks, maritime transport, and economic development can be better understood through a systems perspective. Diaspora actors facilitate trade, investment, and knowledge transfer, which in turn influence port performance and broader development outcomes. Nonetheless, these relationships are mediated by institutional quality and infrastructural capacity. A diagrammatic illustration of the conceptual framework undergirding these linkages is presented in Figure 1.

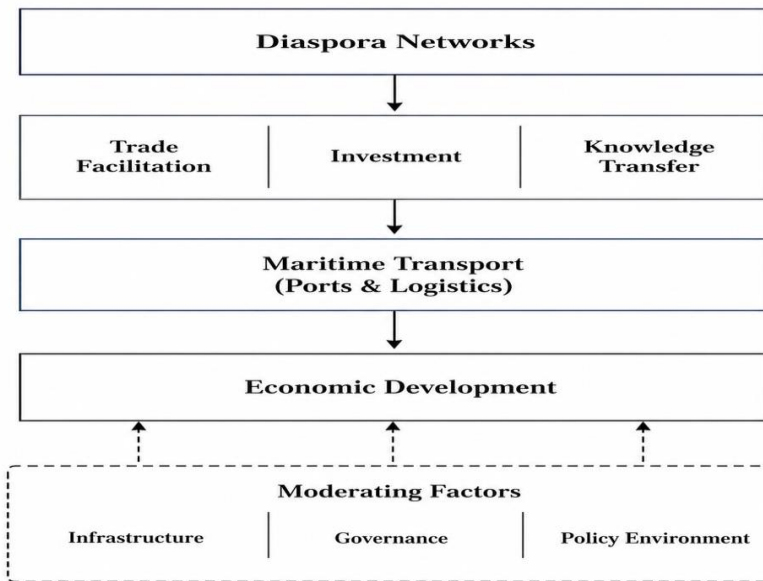


Figure 1: Conceptual Framework of the Diaspora-Maritime Nexus
 Source: Self-generated by the Authors

As shown in Figure 1, diaspora networks stimulate trade, investment and knowledge transfer, thereby strengthening maritime transport systems and driving economic development, while infrastructure, governance, and policy conditions shape the effectiveness and overall outcomes.

Research Methodology

The research design for this study is qualitative (meaning that words are emphasized over numerical values) based on secondary data analysis to explore the nexus among diaspora networks, maritime transport, and port development in Nigeria. The non-empirical, desk-based approach is justified by the aim of the study to investigate the macro-level, institutional and policy settings, rather than individual actions. The multidisciplinary nature of the research theme encompassing diaspora studies, maritime economics, and development policy justifies the use of secondary data to facilitate an inclusive and integrated analysis that can draw upon the wealth of existing evidence.

The study adopts a systematic literature review and documental analysis approach. This includes the identification, selection and analysis of suitable academic and policy-related sources. The data sources include peer-reviewed journal articles, books, working papers, and institutional reports. Major databases (Google Scholar, JSTOR, ScienceDirect) and institutional repositories were used to access a wide range of sources. The focus of the selection process was on relevance to the main research themes—diaspora engagement, maritime transport, port development, and trade facilitation—as well as on the reliability and timeliness of the sources. Emphasis was placed on sources published between 2020 and 2026 to ensure that the insights are up-to-date and reflect the latest trends and perspectives, while incorporating key theoretical works for background.

The research also incorporates a range of policy documents and reports from national and international sources. These include reports from the Nigerian Ports Authority (NPA), Nigerian Bureau of Statistics (NBS), Central Bank of Nigeria (CBN) and various ministries. International agencies like the World Bank, United Nations Conference on Trade and Development (UNCTAD) and International Maritime Organization (IMO) were also

consulted to offer comparative perspectives and context. These reports provide important insights into port operations, trade statistics, infrastructure projects, and policies on diaspora engagement, thereby strengthening the empirical basis of the research.

The study examines the Nigerian port systems, including Lagos Port Complex, Tin Can Island Port, and Onne Port. These were chosen because of their significance in facilitating most of Nigeria's international trade and their connections to diaspora-related trade. The analysis of the data is done through a combination of qualitative content analysis and thematic analysis. This process entails examining the chosen documents to detect themes, patterns and connections that are pertinent to the research questions. The analysis focuses on many thematic areas including diaspora-induced trade relations, port efficiency and effectiveness, infrastructure bottlenecks, governance and institutional issues, and policy regimes.

The research employs an interpretive analytical framework which focuses on interpreting the meaning and significance of the data rather than measuring variables. This is especially suited to the explorative nature of the study and the need to integrate findings from various disciplines. Through the interpretation of the findings in the light of existing theories, such as Transnationalism Theory and Global Production Network Theory, the study offers further insights into the interactions between diaspora networks and maritime systems on trade and development.

The study also adopts a data triangulation approach to ensure the validity and reliability of the findings. Data from scholarly literature are triangulated with policy documents and institutional data to verify findings and avoid any potential bias. The study adheres to ethical standards. Literature and reports are appropriately referenced and acknowledged, and there is no data manipulation or plagiarism. The approach has limitations. Using secondary data limits the research to the quality and nature of the available literature and reports. The lack of primary data also means that current insights from key stakeholders (port operators, policymakers and diaspora investors) are not gathered. But this is offset by the range of sources.

Findings

The data analysis shows a multifaceted but important connection between diaspora, maritime transport and port development in Nigeria. The results are presented under five broad themes: (1) diaspora-led trade relationships, (2) port usage patterns, (3) infrastructural and operational bottlenecks, (4) governance and institutional bottlenecks, and (5) the extent of diaspora investment in the maritime sector. Table 2 highlights that while diaspora networks significantly enhance trade facilitation and market access, their impact is constrained by infrastructural deficiencies, weak governance, and poor policy integration within the maritime sector. Table 2 entails a summary of the major findings of the study, highlighting how diaspora networks support trade while structural constraints such as weak governance, poor infrastructure, and limited policy coordination continue to restrict the full development potential of Nigeria's maritime sector.

Diaspora-Driven Trade Linkages

A key finding is the important role of diaspora networks in international trade. The literature suggests that diaspora groups engage in import-export trade by tapping into their networks in host countries to access products, markets and logistics. These networks operate as informal trade networks that lower transaction costs and risks of international trade. Diaspora entrepreneurs frequently bridge the gap between Nigerian firms and global markets, offering

business information, financial and marketing support. This is especially critical in areas such as consumer products, manufacturing components and equipment whereby information on international markets and regulatory regimes is critical. The results indicate that diaspora networks improve trade efficiency by overcoming information asymmetry and fostering trust relationships that enable trade. In addition, diaspora involvement in trade leads to diversification. Through their connections to various parts of the world, diaspora networks generate opportunities for Nigerian exporters to diversify their markets beyond traditional partners. This aspect of trade diversification has implications for economic stability, especially in times of global market shocks.

Table 2: Summary of Key Findings

Theme	Key Findings
Diaspora Finance	Significant but underutilized in maritime infrastructure
Trade Facilitation	Diaspora networks enhance global market access
Infrastructure	Port congestion and inefficiencies persist
Governance	Weak institutional coordination and transparency issues
Policy Integration	Limited alignment between diaspora and maritime policies
Connectivity	Poor port–hinterland linkages affect trade efficiency
Knowledge Transfer	Diaspora expertise is underutilized

Source: Selfgenerated by the Authors

Port Usage and Trade

The research shows that the key ports in Nigeria, such as Lagos Port Complex, Tin Can Island Port and Onne Port, are major hubs for diaspora-related trade. They account for most of the import and export activities linked to diaspora commerce, highlighting their role in global trade. But the analysis also shows disparities in port usage. Ports in Lagos are heavily engaged in trade because of their proximity to commercial hubs and access to logistical services. Contrastingly, other ports, like Onne Port, are underdeveloped and lack the capacity to handle large volumes of goods. This imbalance puts undue strain on over-burdened ports, compounding inefficiencies. Moreover, diaspora-related trade is import-oriented, which is a symptom of Nigeria's export sector that in turn struggles with low levels of industrialization and value-added manufacturing.

Infrastructural and Operational Challenges

One of the key observations of the study is the infrastructural gap in the Nigerian maritime industry. Port infrastructure is often outdated and inadequate to support contemporary shipping needs. The scarcity of berthing space, cargo handling equipment and storage facilities leads to congestion. Port congestion is a major challenge, especially in Lagos ports, which handle large volumes of cargo. Vessels face delays in accessing berthing spaces, which increases costs for the shipping industry and traders.

Intermodal Connectivity with Hinterlands

Inadequate road networks, lack of rail links and congestion affect the transportation of goods from ports to hinterlands. This situation not only adds to the cost of logistics but also hampers

supply chain efficiency. The research shows that these infrastructure and operational challenges have a negative impact on the benefits of diaspora trade.

Governance and Institutional Barriers

Another key constraint on port performance and diaspora trade is governance. The study shows that red tape, policy inconsistencies and regulatory agency coordination problems contribute to a poor business climate. There are often several agencies involved in regulating the port system, resulting in delays and redundant processes. Businesses must comply with labyrinthine regulatory processes that add to the cost of doing business and present opportunities for corruption, which is also a problem in the maritime industry. Unofficial fees and processes raise the cost of business operations and deter investment. These issues are also a significant barrier to engagement for diaspora actors who may have expected more transparent regulatory frameworks in their host countries. Policy coherence also hampers diaspora engagement efforts. Although there are programs to attract diaspora investment, these are often not connected to sectoral policies in maritime transport.

Diaspora Investment in Maritime Development

Our research shows that despite having considerable financial and technical resources, diaspora communities are not actively engaged in maritime infrastructure development. Diaspora investment and engagement is mainly in trade activities, rather than in port infrastructure and logistics. This is mainly due to several barriers such as high costs of entry, regulatory risks, and perceived risks of infrastructure investment. But there are signs of opportunity. Diaspora actors have expertise in shipping and logistical and port management, which could be leveraged to enhance efficiency and adopt international best practices. Furthermore, diaspora capital could be leveraged through new instruments like diaspora bonds and public-private partnerships for infrastructure investment. The study also highlights that diaspora actors could help in digitalizing the maritime sector.

Discussion

This study uncovers a paradox in the maritime and trade sector of Nigeria. On the one hand, diaspora networks are shown to have a strong ability to support international trade, mitigate transaction costs, and link local markets to global value chains. On the other hand, the maritime industry supporting this trade is beset with structural challenges that restrict the potential of diaspora networks. This dilemma suggests a more in-depth engagement with the theoretical framework underpinning this research. Through the lens of Transnationalism Theory, the study confirms that diaspora communities do indeed have longstanding cross-border economic connections, which impact trade (Tedeschi et al., 2022). The Nigerian diaspora, with its global presence and transnational social networks, has generated informal institutional mechanisms to enable the movement of goods, services and financial resources across national borders. These are especially adept at overcoming institutional deficiencies, allowing trade and investment in environments where bureaucratic inefficiencies are pronounced. The use of trust and cultural familiarity reflects the key principles of transnationalism, where social capital compensates for institutional efficiency.

But the results also demonstrate the weakness of transnational social capital in overcoming structural constraints related to physical infrastructure and governance. Diaspora networks may help to access markets and ameliorate information problems, but they cannot resolve challenges related to port congestion, logistics and hinterland connectivity. This

reveals a key paradox of the trans-nationalist view: social capital is a necessary but not sufficient condition for economic growth. In the absence of complementary infrastructure investment and institutional reform, the benefits of transnational networks are not realized.

The Global Production Network (GPN) Theory provides an additional perspective on these results. As Tae-Woo Lee et al. (2024) put it, transport and logistical systems are key nodes in global production networks, and their performance is a decisive factor for a country's global competitiveness. The bottlenecks in the GPN are Nigeria's port facilities, which are congested, have outdated equipment and insufficient capacity. These bottlenecks mean that for diaspora actors who wish to trade, costs, delivery times and risks are all increased, making Nigeria a less attractive destination for trade and investment.

The results also shed light on the spatial aspects of trade, as highlighted by the Trade Geography Theory. He and Li (2025) observe that port efficiency and hinterland connectivity are critical factors of trade competitiveness. In Nigeria, the dominance of trade activities through Lagos ports, at the expense of other strategically positioned ports, is indicative of spatial imbalances in infrastructure development and economic activities. This spatial inequality not only limits the capacity for trade but also introduces systemic risks, as seen in the recurrent congestion problems in Lagos ports. Diaspora networks, although spread across the globe, are dependent on the spatial efficiency of port systems that are vital for their trade activities.

A critical aspect of the debate relates to the influence of governance and institutional quality on the nexus between diaspora participation and maritime development. The research shows that bureaucratic inefficiencies, corruption and policy incoherence obstruct diaspora engagement in the maritime industry. Danquah and Sen (2022) note that informal institutions play an important role in reducing transaction costs and enhancing productivity, but that they require the right regulatory environment. In the absence of effective formal institutions, informal institutions can help, but they cannot replace the transparency, predictability, and enforcement of effective formal governance.

The lack of alignment between diaspora engagement and maritime sector policies is a major governance failure that has economic implications. In development success stories, diaspora policies are carefully coordinated with sectoral investment strategies to leverage transnational resources. In the Nigerian context, this integration is lacking, leading to a disjointed approach that underutilises diaspora resources. The design of coherent and sectoral policies that facilitate diaspora investment in maritime infrastructure is thus a policy and development priority.

International experiences of other developing countries highlight the transformative impacts of diaspora-infrastructure integration. East and Southeast Asian economies and some in Africa South of the Sahara have attracted diaspora investment to port improvement and logistics infrastructure upgrades by establishing transparent regulatory frameworks, providing targeted incentives, and establishing investment platforms. These successful cases reveal that the challenges observed in Nigeria are not intractable, but demand concerted policy efforts. The research also raises questions about the nature of diaspora investment in maritime. The import-led nature of diaspora trade reflects broader limitations in Nigeria's productive base. Diaspora actors are good at importing goods from overseas, but their capacity to support export promotion is constrained by Nigeria's limited industrial diversification and value-added manufacturing. To redress this unevenness, port infrastructure needs to improve, but so do macroeconomic policy and industrial strategy to increase local production and export capacity.

Overall, the discussion shows that the interaction between diaspora participation and maritime development in Nigeria is mediated by social, infrastructure and institutional factors. Diaspora engagement offers a critical resource for trade and investment, but its

effectiveness depends on the effectiveness of maritime infrastructure and policy coherence. The way forward is a holistic strategy that enhances diaspora engagement, invests in port infrastructure, and improves governance.

Conclusion and Recommendation

This research sought to investigate the link between global diaspora networks and local port development in Nigeria within the contexts of maritime transport, trade facilitation and economic growth. Using secondary data and qualitative analysis, the research offers a holistic view of diaspora engagement, maritime infrastructure and institutional arrangements, and their impact on trade.

The results show that diaspora networks significantly contribute to global trade by providing intermediation services, lowering transaction costs, and linking local markets to the global economy. But the impact of diaspora networks is limited by structural and institutional deficiencies in Nigeria's maritime sector. Problems like congestion, insufficient infrastructure, poor logistics and hinterland connectivity reduce port efficiency in facilitating trade. Institutional and governance weaknesses also hamper the maritime sector. Slow approval processes, policy uncertainties and corruption have a detrimental effect on the business climate.

In conclusion, the research reveals a significant gap between diaspora potential and maritime productivity in Nigeria. Diaspora networks offer social and financial capital, but their ability to support economic growth is constrained by inefficient infrastructure and policy settings. A lack of an integrated approach to diaspora engagement and maritime transport development is a critical policy and practice gap. This research adds to the existing body of knowledge by connecting diaspora studies and maritime transport studies to provide a comprehensive view of the diaspora-maritime nexus.

Based on the research findings, a number of policy and operational recommendations are made to improve diaspora networks' role in maritime transport and port development in Nigeria: First, specific policies to attract diaspora investment in the maritime industry should be developed. This involves establishing investment platforms, providing tax breaks and streamlining regulatory processes to attract diaspora investment.

Second, the government could consider innovative financing options like diaspora bonds for port and logistics infrastructure. A maritime diaspora investment agency could lead these efforts and provide a single point of contact for potential investors.

Third, there is a need for substantial investment in Nigeria's port infrastructure. This includes increasing port capacity, upgrading handling equipment and storage. There is also a need for new ports to ease the burden on Lagos and facilitate the spread of trade activities throughout the country. For example, targeted investment in Onne Port and Warri Port, for example, would help diversify the national port system, thereby lessening the country's over-reliance on Lagos.

Fourth, effective hinterland connectivity is crucial for lowering logistics costs and enhancing trade flows. Innovation and investment in road and rail networks should be encouraged to improve the flow of goods from the ports to manufacturing and markets. Multimodal transport will improve supply chain efficiency and drive regional development. The current upgrade of the Lagos-Kano and Port Harcourt-Maiduguri railway lines offers a significant opportunity to connect port cities with inland industrial areas. Digital technologies can enhance port efficiency and transparency. The adoption of port community systems, electronic documents, and cargo tracking systems can eliminate bottlenecks, human intervention, and improve communication and coordination among stakeholders. Diaspora experts in emerging technologies can help drive this change by bringing new technologies to

port authorities and logistics firms and supporting capacity building.

Fifth, governance issues are key to enhancing the maritime business environment. The reforms should aim to eliminate administrative bottlenecks, increase transparency and coordination among regulatory bodies. Corruption prevention and efficient clearance procedures will boost investor confidence and foster increased engagement from local and diaspora actors. Centralizing port regulation under a unified authority will eliminate the existing overlap and fragmentation.

And sixth, a more integrated policy framework is needed to harmonize diaspora engagement with maritime development policies. This can be achieved through the inclusion of diaspora priorities in sectoral policy and institutional space for engagement, and partnerships among government, private sector and diaspora organizations. A National Maritime Diaspora Council could become an institutional platform for policy discussion, investment assistance and knowledge sharing between the government and diaspora. We recommend future research to include primary data to understand the views of stakeholders such as port authorities, policymakers and diaspora investors. Cross-country studies in Africa could also offer lessons on how best to incorporate diaspora engagement into infrastructure projects. Longitudinal studies monitoring the effects of specific policies on port efficiency and diaspora investment would be particularly helpful in informing policy.

In sum, in order to unlock the full potential of the maritime industry in Nigeria, it is crucial to align the diaspora, infrastructure, and institutional reforms. By fostering an investment-friendly environment, improving operational efficiency, and encouraging cooperation, Nigeria can leverage its global diaspora to promote sustainable trade and economic development.

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