

APPRAISAL OF THE IMPACT OF PROJECT ABANDONMENT ON NIGERIAN ECONOMY: WITH ILLUSTRATIONS FROM THE NIGERIAN RAILWAY CORPORATION ENUGU

¹Igwesi, Chika.G., ²Kalu, Agwu. U, ³Onyejiaku, Chinyere C., ⁴Ghasi, Nwanneka.C.

Department of Management, Faculty of Business Administration, University of Nigeria, Enugu Campus

Abstract: This study investigated the impact of project abandonment on Nigerian Economy with a study of the Nigerian Railway Corporation (NRC) Enugu. Nigeria has in recent times witnessed an unprecedented level of project abandonment which has negatively affected its economic growth and development. Gigantic projects are abandoned at both the federal and state levels due to inability of regulatory authorities to monitor and evaluate the progression of awarded project contracts. Corruption, financial irregularities, political considerations etc. were adjudged to be the main reasons why laudable projects were abandoned. The Railway transport in Nigeria, just like the Ajaokuta Steel Industry and many other government projects has been in comatose, neglected and more glaringly abandoned in spite of its potentials to contribute to the nation's economic growth and development. The specific objectives of the study were to assess the causes of project abandonment in Nigeria, evaluate the extent to which project abandonment affects Nigerian economy and to identify ways of controlling incessant cases of project abandonment in Nigeria. The study employed the survey research design. Both primary and secondary sources of data were applied. The population comprises of staffs selected from the NRC and Ministry of Works and Transport in Enugu all totaling 160. Due to the small nature of the population, the total population of the 160 was used as sample size of the study. Data were presented in tables and since the study seeks to evaluate the cause and effect relationship between the predictor variables and the criterion variables, the researcher used Friedman's Chi-square statistical tool (X^2) in analyzing the data at 5% significant level with the aid of SPSS. Findings from the study revealed that projects are abandoned as a result of government's non-challant attitude to projects, corruption and financial misappropriation $X^2_c (42.105) > X^2_t (9.488)$; Abandonment of projects hinders economic growth and development of Nigeria through waste of scarce resources, technological backwardness, and low per capita income $X^2_c (50.435) > X^2_t (9.488)$; and the best way to control incessant project abandonment is by project monitoring, evaluation and ensuring completion of old projects before awarding new ones since $X^2_c (76.571) > X^2_t (9.488)$. Based on these findings, it is recommended that efforts should be made to reduce corruption, tribal political patronage and use of mediocre contractors in the railways business. Again, the colossal waste of resources is detrimental to the economic growth and development of the country, government should ensure the acceleration and completion of all ongoing projects, or at least focus on high priority ones. Finally, that the National Assembly should come up with a legislation to compel successive government to continue with programmers' and projects initiated by their predecessors.

Keywords: Project Management, Project Abandonment, Economic Growth and Development.

1. INTRODUCTION

Nigeria has within the last three decades witnessed an unprecedented level of project abandonment inimical to the economic growth and development of the country. The economic potential of a country is dependent upon so many factors, of which investment and infrastructure (communications, transportation, road and rail-network) is major. Many of the laudable projects have often been abandoned by successive governments both at the Federal and State levels across the

country. These projects were deliberately abandoned because they don't want to associate themselves with projects and programmes embarked upon by their predecessors. Evidently, they do not want their predecessors to take credit for the success of these programmes. Ukpanyang (2011:1) asserts that this abandonment was done without considering the huge amount of public funds involved in initiating such projects and programmes.

In developing nations like Nigeria, cases of many abandoned projects are more prevalent in the public sector than in the private sector organizations. Ifeatu (2012:1) notes that a Presidential Projects Assessment Committee (PPAC) set up by President Goodluck Jonathan to look into cases of abandoned federal government projects, reported that an alarming eleven thousand, eight hundred and eighty-six (11,886) abandoned projects are begging for completion in different parts of the country.

Chase, Aquilano and Jacobs (2001:58) describe a project as a series of related jobs usually requiring a significant period of time to perform. Project management is therefore seen as, the planning, directing and controlling of resources (people, equipment and material) to meet the technical, cost, and time constraints of the project. Imaga (2003:284) assert that while project is a capital investment to develop facilities to provide goods and services, project abandonment means any project that is not completed on schedule and whose implementation does not continue thereafter. Project abandonment is therefore, the giving up or discontinuation of a project which has taken off (mid-stream).

In a critique by Mazi Jetson Nwakwo (2004), acting managing director of the NRC, he pointed out that the rail system is suffering from lack of political will by the nation's politicians. While the NRC had employed about 45,000 people between 1954 and 1975, current employment is only 6,516. He stated that the old wagons acquired since 1993 are still being used without significant replacements or acquisition of modern ones, and some wagons date back to 1948. The condition of the track limit trains to a speed of 35 km/h.

Elrufai (2012) states that one of the major reasons given for project abandonment is lack of funds. Then, one wonders how funding constraints can be blamed for project failures. Should one not also wonder why a project is approved in the absence of adequate funds? Section 4 (2) (b) of the Public Procurement Act 2007, states plainly that all procurement shall be 'based only on procurement plans supported by prior budgetary appropriations; and no procurement dealings shall be formalized until the procuring body has ensured that funds are available to meet the obligations and has obtained a "Certificate of 'No Objection' to Contract Award" from the Agency'. Therefore, it is specified that no contract should be awarded if funds are not available for it from the onset.

Makalah (2008) and Flaherty (2003) describe project abandonment as structures on which taxes and mortgages are no longer paid, and for which services are neither paid for nor provided. Such structures are unoccupied, vandalized, deteriorated or unmaintained. Generally, abandonment can mean an owner ceasing to provide maintenance and operating services to a building, or the loss of an owner's legal right to a building, or the demolition of a building or any form of structure. An abandoned project is an uncompleted project within in a time frame of the contract. There are two dimensions to project. The tangible and the non tangible projects. This study will focus on the tangible dimension, which results to the execution of physical projects that brightens the community. Physical projects results to empowerment, self improvement and positively impacts on the economy.

Abandoned projects as in building and civil engineering like: houses, churches, schools, roads, railways, bridges, dams, tunnels, air port, sea port etc. litter across the whole Nigeria. Osemenan (1987) reports that Nigeria has become the "world's junk-yard" of abandoned projects worth billions of naira. This is greatly unthinkable that Nigeria blessed with great potentials in the construction industry can experience such magnitude of project abandonment. In another report by Kotangora (1993) there are about 4000 uncompleted or abandoned project belonging to the Federal Government of Nigeria with an estimated cost of above N 300 billion which will take 30 years to complete at the present execution capacity of government. The issue of project abandonment has been left without adequate attention for too long which is now having a multiplier effect on both the construction industry and the national economy.

Olapade and Anthony (2012) reveal that abandoned projects in Nigeria will cost an estimated N7.78 trillion to complete. These abandoned projects cut across all sectors including Health, Education and Transport, especially the Nigerian Railway Corporation (NRC). This study centers on the Nigerian Railway Corporation whose activities, programmes and projects have been relegated to the background. This is adjudged to be due to myriads of socio-economic and political factors inhibiting its continued operation inspite of its invaluable contribution to the Nigerian economy. Olapade and Anthony (2012:11) citing Kwakye (1997:21), posit that Nigerian landscape is littered with abandoned buildings, roads, rail-lines, ports and other infrastructural projects at all levels of governance from Local Government through the State Government to the Federal territory.

Olapade and Anthony (2012) note that some identifiable reasons for the abandonment of the NRC programme which is also common with other projects are poor funding, lack of government will to the programmes, inadequate facilities, lack of planning, improper financial analysis, political and government interference on managerial decisions, corruption, lack of accountability poor motivation etc. These problems results in low standard of living, increased unemployment, decreased revenue accruing to the government, technological backwardness, and eventual low level of economic growth and development.

The railway transport in Nigeria, like every other government project has been in comatose, neglected and more glaringly abandoned despite of its potentials to contribute to the nation's economic growth and development. The programmes and activities of the NRC have been considered inefficient and have hardly developed at all over the past 100 years compared to railways in the developed world. This is due both to maladministration by successive governments and to the lack of a functional transport policy ensuring a constant pattern of railway development.

Corruption is adjudged to be the major cause of Nigeria's backwardness in technological development. The abandonment of the multi-billion dollar Ajaokuta Steel Complex and other federal government owned steel firms across the country as a result of sharp practices by corrupt leaders suffices this. When development projects are abandoned, the effect is felt by the individuals who would lose their jobs, the community that would lose the developmental facilities, the government that would waste resources and visibly the economy that would face declining growth. It is intuitive that abandoned projects fuel corruption and reduce public confidence in governance. The excuse of inadequate or delayed funding may sometimes be contrived. Such an inference could be drawn as abandoned projects are more often than not re-awarded at unjustifiably over-bloated sums. The increased costs are subsequently justified by blaming inflation, exchange rates, labor and materials cost increases amongst others.

The specific objectives of the study were to:

- i. Assess the causes of project abandonment in Nigeria.
- ii. Evaluate the extent to which project abandonment affect Nigerian economy.
- iii. Identify ways of controlling incessant cases of project abandonment in Nigeria.

The research attempted to provide answers to the questions:

- i. What are the causes of project abandonment in Nigeria?
- ii. To what extent does project abandonment affect Nigerian economy?
- iii. What are the ways of controlling incessant cases of project abandonment in Nigeria?

To achieve the objectives of this study, it was hypothesized that:

- i. There is evidence to show that projects are abandoned as a result of government's non-challant attitude to projects, corruption and financial misappropriation.
- ii. To a large extent project abandonment hinders economic growth and development through waste of scarce resources, technological backwardness, and low per capita income.
- iii. The ways of controlling incessant project abandonment in Nigeria is by project monitoring, evaluation and ensuring completion of old projects before awarding new ones

2. LITERATURE REVIEW OF RELATED LITERATURE

2.1 Conceptual Framework

2.1.1 Nature, Causes and Effects of Project Abandonment

Tamonu and Otto (2000) posit that a project is termed abandoned when the expected completion time or period elapses and some of the physical features are seen wearing out and becoming out of use, such that will attract cost for replacement. There are two time lags, the short-term projects which run between one to two years and long-term projects which run between three to five years, as applicable. If a project is not completed within the scheduled time even when extra time and additional resources are added, it is termed to be abandoned. Dawodu (1987:10) sees abandoned projects as that in which all activities are totally suspended. Akindoyemi's (2005:315) opinion deferred a bit, as he postulate that a project is never considered abandoned, rather the project must have been suspended as a result of the proprietor lacking funds to continue in the main time.

Kolawole (2006) asserts that a good number of projects initiated with good intentions are abandoned at different stages of the design and construction process. Oyelola (2010:32) and Makalah (2008) state that the reasons for failed projects are: incorrect estimation; lack of skilled personnel; inadequate planning; poor risk management; misunderstanding of the work requirement; poor quality control by regulatory agencies; corruption and communication gap among the personnel.

Adeleke (2005) declares that conflicting government policies, lack of accountability, high level of corruption, unskilled contractors, inadequate building materials, infrastructural deficit, and wrong choice of facility location and so on has been advanced as some of the major causes of abandonment of projects.

Imaga, (2003) and Hanachor (2012) highlight the causes of project abandonment as follows:

(a) Political Reasons: Most projects are political projects that were not originally meant to be completed. They were initiated merely to score some political points. Because of the reason for selecting such projects, proper feasibility studies of the project are not carried out (Imaga, 2003). For reasons of tribal political patronage, sensitive projects are mostly awarded to unqualified contractors or to political zones where the project would never survive in order to compensate for political support given from those areas. This automatically breeds inefficiency of such projects and eventually abandoned (Hanachor, 2012).

(b) Corruption: Globally, Nigeria ranks high as one of the most corrupt nations of the world. Many projects are abandoned either because the funds made available for it are embezzled or because those whose duty it is to provide funds for its completion are not interested in doing so because they cannot get their “kick-back”. Even when old projects are abandoned, new ones are started because of the changes of getting “kick-backs” from the new (Imaga, 2003). Most contractors in order to win the contract, deliberately lowers their quotation, only to apply for variation later. Some who may go on with the project will resort to the use of inferior materials or even deviate from the original project plan (Hanachor, 2012).

(c) Inflation: The inflationary trend in Nigeria, as in many other developing countries defies economic prediction. This makes it difficult for projects to be adequately estimated (Imaga, 2003).

(d) Poor Feasibility Report: The essence of a feasibility report is to know the viability or non viability of a project, but in some cases feasibility reporters are influenced to give positive reports for even obvious non viable projects. This affects real implementation of the projects (Imaga, 2003). Most projects usually require counterpart funding but when one or more parties to the funding fails the resultant effect will be insufficient funds for the project. Therefore, the project will definitely be abandoned (Hanachor, 2012).

(e) Lack of Accountability: The lack of accountability makes projects managers and politicians feel that they can do whatever they like with the project. If there is the culture of accountability those who mismanage projects will be blacklisted in society, thereby improving on the efficiency of project execution (Imaga, 2003).

(f) Appointment of mediocre Project Managers: When inexperienced project managers are appointed there is the tendency of project abandonment. When mediocre or inexperienced project managers are appointed, they hardly understand the rudiments of project management. The result is that either extra fund is needed while trying to complete the project or project is abandoned outright (Imaga, 2003). Most projects require technical inputs which must be attended to by experts. Where this aspect is not taken into consideration and the local crafts men are not able to handle it, the project would be put to a halt (Hanachor, 2012).

(g) Choice of Project site or Location: The choice of the site is very important. Since the host community must of necessity be the custodian of the project, consensus must be reached on where the project is to be sited before embarking on it. Rifts between the host communities and project managers most times creates chaotic business atmosphere which leads to destruction of materials and eventual abandonment of the project. In some cases, project facilities are located far from the source of raw materials which leads to ineffective performance and eventual abandonment. To achieve the desired result, the major stakeholders in the community such as the chiefs, youths, women and development stakeholders or beneficiaries need be consulted on the choice of the project site (Hanachor, 2012).

Project abandonment negatively affects the level of economic growth and development of Nigeria. Gregory (2007:112) views economic growth as the increasing capacity of the economy to satisfy the wants of its members. Economic growth is enabled by increases in productivity, which lowers the inputs (labor, capital, material, energy, etc.) Claire, Renate and Ursula (2011) state that economic growth has the indirect potential to alleviate poverty, as a result of a simultaneous

increase in employment opportunities. Growth process increases labor productivity, effective and efficient utilization of human, financial and material resources. Increases in employment without corresponding increases in productivity leads to a rise in the number of "working poor". This is why some experts are now promoting the creation of "quality" and not "quantity" in labor market policies.

Abandonment of projects obviously leads to waste of resources in the form of capital, material, human power, promotion of illegal activities, adverse effect on community, aesthetics and so on. Hence, Rwelamila and Lobelo (2000) advocate that firms should inculcate operational, strategic, personal, technological, marketing and environmental strategies in order to cushion the effect of financial predicament associated with project abandonment. Elrufai (2012:1), states that there are eleven thousand, eight hundred and eighty-six (11,886) abandoned projects that will cost an estimated N7.78 trillion to complete. These alarming figures are from the report of the Presidential Projects Assessment Committee (PPAC) set up in March 2011, by President Goodluck Jonathan to look into cases of abandoned federal government projects. If the government does not start any new projects, it will take more than five years budgeting about N1.5 trillion annually to complete them all – and that is assuming no cost-over runs or delays. This colossal waste of financial resources would have contributed in no small measure towards improving the economy of the country.

The main reason for a development project is to create positive change in the community by empowering the individuals economically and socially. A positive change process should lead to a further change in other aspects (Thompson 1983). When development projects are abandoned, the community members and beneficiaries are automatically robbed of the expected changes and consequently leave them worse than they were before the project.

Imaga (2003:288) highlights the effect of project abandonment on the economy to include: Enormous waste of scarce resources, low economic growth rates, low income per capita, technological backwardness and failure syndrome.

Imaga (2003) notes that the human and material resources expended on a project is wasted when the project is abandoned. This reduces the rate of economic development. The production rate is reduced and this in effect will lead to a reduction in the nation's per capita income (income per head). Low per capita income results in low standard of living of the people. Some projects are very crucial for technological advancement that when such projects are abandoned, it keeps the country in technological prison and backward.

Oyeola (2010:32) notes that when government projects in communities are abandoned, the community member go as far as vandalizing the material and whatever is left in the site at that time. On return to site, after years of abandonment, the vandalized materials have to be replaced at extra cost. Sometimes the governments end up re-awarding the contract to new contractor at even a more contract value than at first.

2.1.2 Ways to Control Incessant Project Abandonment in Nigeria

In order to avert the likelihood of development projects being abandoned, there is need for project analysis, evaluation and monitoring. Desai (2010) notes that project analysis is the articulation of the various dimensions of a project life cycle, both separately and in relation to each other. In his view, a multidimensional project analysis should cover the following areas:

Social analysis, institutional analysis, financial analysis, economic analysis technical analysis

Social project analysis: Social analysis of project considers the sustainability of the proposed project in line with its impact on the people. It takes care of the socio-cultural and demographic characteristics of the project population to win and hold peoples support and to achieve project goals by including changes in social attitudes and behavior.

Institutional analysis: Institutional project analysis provides a means of recognizing and partnering with local or community institutions which if neglected results to projects being abandoned. What becomes of a development project depends on the acceptance and participation of the institutions involved in the project. The institutions comprises of the youths, chiefs, group leaders and other stakeholders.

Financial analysis: Proper financial analysis prevents abandonment of projects, irrespective of the sponsors. Financial analysis of a project takes cognizance of the cost of the project and the source or sources of the funds. In the case of government project, the stages and the amount to release at each stage of the project should be made known and monitored. It is necessary for the government to adequately fund projects, monitor what has been done and ensure the completion of abandoned projects before awarding new ones.

Economic analysis: Economic analysis of a project explains how resources are sourced and effectively utilized. It seeks to determine not only the use of the project, but also whether there is any other alternative way of getting the same value, the proposed project will offer. Economic analysis entails a comparison of costs and benefits with or without the project, in terms of their opportunity cost to the community or donor agencies in the best alternative uses. Economic analysis will ensure that projects will never lose its value within a short time.

Technical analysis: Technical project analysis considers the technological requirement of a project and the possible sources. There are usually two sources, the local skill and technology or the imported technology. Depending on the type of project to be executed, the technical analysis will suggest most appropriate way of carrying out the project. Technical analysis will specify the types of professionals required for the project and when or at what stage they will be involved. There should be proper monitoring and evaluation of the pace and level of work done at each stage to ensure adequate completion of project phases.

2.1.3 Factors Militating Against Operational Efficiency of the NRC

Tekena (1995:22) posits that there are many factors that militate against the operational efficiency of the NRC from taking its pride of place in contributing to the national economy. The Nigerian Railway system officially came into existence in October, 1912 when Frederick Lugard merged the pre-existing Lagos government railway and the Baro-Kano railway to become the 'Nigerian Railway'. The merger further enhanced the desirability of merging the Northern and Southern Nigeria protectorates. In the 1950s, partly for economic reasons, the railway system in the country came under the coordination of the Nigerian Railway Corporation. The Nigerian ministry of Transport employed the services of an Indian group: Rail India Technical and Economic Services to operate the railways in 1978. The period also coincided with the time the government earmarked large capital outlays to the railway sector though a huge amount of the money was diverted to an ill fated change to standard gauge. The contract resulted in modest positive changes but the contract was not renewed. There was a decrease in the performance of the railways as a result of reduced funding from the government, import bans and managerial problems by the end of the 1980s.

Tekena (1995:22) opines that since the 1980s, the Nigerian Railway Corporation had been bounded by technical and financial shortcomings, however since the 1960s, its performance had not been up to expectation. The Nigerian civil war negatively affected the performance and operations of the railway corporation. In the following decade, the low interest in export commodities and coal resulted in reduced freight haulage.

Joshua (2010:49) states that the problems with the NRC are many, but the most important ones are listed below:

- Technical problems such as tight curves, steep gradients, rail buckling with associated track/speed limits
- Poor communication system
- Government interference with management structure
- Lack of freedom to set tariffs
- Underfunding
- declining rolling stock levels
- falling traffic levels (freight and passenger)
- dilapidated infrastructure
- Volatile and militant labor union
- Irregular staff training

The NRC rarely placed commercial objectives as a priority and government changes in administration and policy led to structural and managerial problems. The use of tracks of narrow gauge spread with curves and gradients coupled with low maintenance over the years resulted in slow speeds for trains (Tekena, 1995:24).

3. METHODOLOGY

The study covered the Nigerian Railways Corporation (NRC) in Enugu State. The study adopted survey research design. Primary data were obtained using questionnaire distributed to the respondents and secondary sources of information were obtained from the works of scholars in the area of project management and feasibility studies and transport system in Nigeria, especially NRC. The population of the study comprises of top management officials of the NRC and the Ministry

of Works and Transport Enugu, selected Quantity Surveyors, Civil Engineers, Architects and Builders that have practiced for at least 10 years in the South Eastern Nigeria and conversant with the railway transport in the country all numbering 160. Due to the small nature of the population, the total population of the 160 was used as sample size of the study. Data were presented in tables and since the study seeks to evaluate the cause and effect relationship between the predictor variables and the criterion variables, the researcher used Friedman’s Chi-square statistical tool (X^2) in analyzing the data at 5% significant level. Decision rule for hypotheses was reject the null hypothesis if the $X^2_c > X^2_t$ and accept the alternate hypothesis if otherwise.

4. DATA PRESENTATION AND TESTING OF HYPOTHESES

1) Responses on Causes of Project Abandonment in Nigeria

Table 1: Causes of Project Abandonment in Nigeria

Causes	Frequency	Percentage
Lack of financial and improper financial analysis	38	23.8
Corruption, lack of accountability, funding, monitoring and evaluation	36	22.5
Political reasons and choice of project site	34	21.3
Underbidding of projects and inexperienced project managers	30	18.6
Inflation and inadequate supply of materials	22	13.8
Total	160	100

Source: Field Survey, 2017

Test of Hypothesis One

Ho: There is no evidence to show that projects are abandoned as a result of government’s non- challant attitude to projects

Hi: There is evidence to show that projects are abandoned as a result of government’s non- challant attitude to projects

In testing this hypothesis, the Friedman chi-square test statistics, with the aid of SPSS, was used in testing the data presented in Table 1. The results are presented in Table 2 below.

Table 2: Chi-Square Tests Result for Hypothesis One

Statistic	Value
N	160
Chi-Square	42.105
Df	4
Asymp. Sig.	.000

Source: Data Output, 2017

The study showed that lack of financial and improper financial analysis; corruption, lack of accountability, funding, monitoring and evaluation; political reasons and choice of project site; underbidding of projects and inexperienced project managers; inflation and inadequate supply of materials lead to project abandonment in Nigeria. The responses of a higher percentage of the respondents which is 38 or 23.8% say that lack of project planning and improper financial analysis is a higher contributor to project abandonment. Planning entails other variables that affect activities. Lack of planning is an offshoot of negative political influence on project activities which results to tribal political patronage through the engagement of inexperienced project managers, underbidding of projects and inadequate supply of quality materials. The delay may be compounded by inflationary trends. This suffices hypothesis 1 which states that there is evidence to show that projects are abandoned as a result of government’s non-challant attitude to projects. From the hypothesis we reject the null hypothesis if $X^2_c > X^2_t$ and accept the alternative hypothesis if otherwise. Since $X^2_c (42.105) > X^2_t (9.488)$, we accept the alternative hypothesis. Hence, there is evidence to show that projects are abandoned as a result of government’s non-challant attitude to projects, corruption and financial misappropriation.

2) *Effect of Project Abandonment on Nigeria Economy*

Table 3: Effect of Project Abandonment on Nigeria Economy

Effects	Frequency	Percentage
Low per capita income and standard of living	30	18.75
Low economic growth and development	40	25.00
Technological backwardness and high level of unemployment	36	22.50
Diversion, underutilization and wastage of project resources	20	12.50
Decrease in revenue accruing to the government, and difficulty in attracting foreign loans	34	21.25
Total	160	100.00

Source: Field Survey, 2017

Test of Hypothesis Two

Ho: To a large extent project abandonment does not hinders economic growth and development through waste of scarce resources, technological backwardness, and low per capita income.

Hi: To a large extent project abandonment hinders economic growth and development through waste of scarce resources, technological backwardness, and low per capita income.

In testing this hypothesis, the Friedman chi-square test statistics, with the aid of SPSS, was used in testing the data presented in Table 4. The results are presented in Table 5 below.

Table 4: Chi-Square Tests Results for Hypothesis Three

Statistic	Value
N	160
Chi-Square	50.435
Df	4
Asymp. Sig.	.000

Source: Data Output, 2017

Responses on the impact of project abandonment on Nigerian economy indicate that the impact is multifarious and multifaceted. The table shows project abandonment causes low level of economic growth and development of the country. In the order of magnitude, other respondents believe that project abandonment leads to technological backwardness and high level of unemployment; decrease in revenue accruing to the government, and difficulty in attracting foreign loans; low per capita income and standard of living; and diversion, underutilization and wastage of project resources. Following the decision rule for hypothesis 3, we reject the null hypothesis if $X^2_c > X^2_t$ and accept the alternative hypothesis if otherwise. Since $X^2_c (50.435) > X^2_t (9.488)$, we accept the alternative hypothesis. Hence, it is evident that abandonment of projects hinders economic growth and development through waste of scarce resources, technological backwardness, and low per capita income.

3) *Ways to Curb Incessant Abandonment of Projects*

Table 5: Responses on how to curb incessant abandonment of projects

FACTORS		Frequency	Percentage
1.	Proper planning and funding	38	23.75
2.	Transparency, accountability and effective monitoring	14	8.75
3.	Adequate financial and feasibility analysis	36	22.5
4.	Project Monitoring, evaluation and ensuring completion of old projects before awarding new ones	44	27.5
5.	Institutional, social, economic and technological analysis of projects viability	28	17.5
Total		160	100

Source: Field Survey, 2017

Test of Hypothesis Three

Ho: The ways of controlling incessant project abandonment in Nigeria is not by project monitoring, evaluation and ensuring completion of old projects before awarding new ones

Hi: The ways of controlling incessant project abandonment in Nigeria is by project monitoring, evaluation and ensuring completion of old projects before awarding new ones

In testing this hypothesis, the Friedman chi-square test statistics, with the aid of SPSS, was used in testing the data presented in Table 6. The results are presented in Table 6 below.

Table 6: Chi-Square Tests Results for Hypothesis Three

Statistic	Value
N	160
Chi-Square	76.571
Df	4
Asymp. Sig.	.000

Source: Data Output, 2017

The alarming rate of project abandonment in Nigeria is becoming worrisome to the extent that it is a norm that projects are awarded and not meant to be completed. There is also the belief that awarding project is to enrich contractor. Due to the controversial cases of project abandonment in the country with huge financial loses, the study showed that the best way to curb high level of project abandonment in Nigeria is by ensuring the completion of old projects before awarding new ones as evidenced by the responses of 44 (27.5%) of the respondents. Other responses suggest proper planning and funding of requisite projects, adequate financial and feasibility analysis; consideration of the value the project would add to various stakeholders; and effective monitoring, transparency and accountability in executing projects. The statistical analysis in hypothesis 3 is positive as we reject the null hypothesis and accept the alternative hypothesis that the best way to control incessant project abandonment is by project monitoring, evaluation and ensuring completion of old projects before awarding new ones since $X^2_c (76.571) > X^2_t (9.488)$.

A project is said to be abandoned when the expected completion time or period elapses and some of the physical features are seen wearing out and becoming out of use, such that will attract cost for replacement. Inconsistent government policies, lack of accountability, high level of corruption, incompetent contractors, non-availability of building materials, lack of utilities or infrastructural facilities, wrong location and so on has been advanced as remote causes of abandonment of projects.

The study found that abandonment of projects can discourage foreign investors in area of the projects abandoned. A country grows economically when there is efficient transfer of technology. When project are abandoned, the requisite technology would be kept at standstill and would not move to other sectors for developmental purposes. From all indications, the study found that for the incessant abandonment of projects to be curtailed, old projects should be completed before awarding new ones. The study also found that the issue of awarding project contracts on political consideration leads to underbidding of projects, use of inferior materials etc.

5. SUMMARY OF FINDINGS, CONCLUSION AND RECOMMENDATIONS

The study found out that:

- i. Projects were abandoned as a result of government’s non-challant attitude to projects, corruption and financial misappropriation = Since $X^2_c (42.105) > X^2_t (9.488)$.
- ii. Abandonment of projects hinders economic growth and development of Nigeria through waste of scarce resources, technological backwardness, and low per capita income = Since $X^2_c (50.435) > X^2_t (9.488)$.
- iii. The best way to control incessant project abandonment is by project monitoring, evaluation and ensuring completion of old projects before awarding new ones since $X^2_c (76.571) > X^2_t (9.488)$.

From the study, the following recommendations are made:

- i. Efforts should be made to reduce corruption, tribal political patronage and use of mediocre contractors in the railways business. Considering the fact that railways are very capital intensive, the Nigerian government should encourage competition by allowing private sector participation in ownership, funding and operations. This will help intensify the effort to modernize railway infrastructure and services as we start the next millennium.
- ii. The colossal waste of resources is detrimental to the economic growth and development of the country. Government should ensure the acceleration and completion of all ongoing projects, or at least focus on high priority ones. Permitting private corporations and individuals to fund railway operations will usher in modern technologies in specialized areas like information technology, rolling stock and locomotive manufacturing, rail network design, etc. Creation of an environment for developed countries such as Japan, the USA, and Canada, etc., to invest in railway development in Nigeria will enhance both railway development and the economic growth of Nigeria.
- iii. The National Assembly should come up with a legislation to compel successive government to continue with programmes and projects initiated by their predecessors. This will not only save our resources but will also enable the government to ensure optimum use of scarce resources for other new projects. The policy of always-starting-afresh cannot lead the country to higher levels of economic growth and development.

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