
ABANDONED PROJECTS AND DEVELOPMENT: CAUSES AND CONSEQUENCES (A CASE STUDY OF OREDO LOCAL GOVERNMENT AREA, EDO STATE)

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Abstract: *In Nigeria most public projects are either uncompleted or out rightly abandoned. The paper investigated possible causes of project abandonment, its impact on the immediate community, contribution to infrastructural decadence and environmental pollution. Information was collated through personal interview, questionnaire administration, and review of existing literature and journals which formed the data base. The statistical tools of analysis that was used to test the hypothesis in this research work is the chi - square, which is denoted with the statistical symbols of X^2 The data analysis showed that nonfunctional Government policies, defective procurement procedures, incompetent contractors, defective design and so on contributed significantly to project abandonment. The hypothesis H_0 - which says government abandoned projects have no economic effect on the development in Oredo Local Government Area? While H_1 - says government abandoned projects has economic effect on the development in Oredo Local Government Area. It was concluded that non-utilization of competent consultants and contractors, inconsistencies in Government policies, poor location of infrastructural facilities, defective cash flow and lack of adequate control in monitoring resources accounts for thousands of abandoned projects. One of the objectives this research work is to establish and identify the cause or causes of abandoned government projects in Oredo Local Government Area, Edo State. The sample size of this study would be determined through the use of Taro Youmen's formula. The classical management theory was used to buttress the researcher point of argument. It was recommended that government should ensure adequate planning, feasibility, viability and effective monitoring of financial outlay for construction projects to reduce instances of project abandonment.*

CHAPTER ONE

The abandonment of projects is the act of discontinuing any activity or an act of unplanned suspension of the work progress especially at the execution stage such as refusal or failure to complete a project at the required time. The abandoned and failed projects are highly predominant in Nigeria today. However, there are several government abandoned projects in Oredo Local Government Area, in Edo State. This phenomenon cuts across many economic sectors including the construction, manufacturing or industrial and service sectors.

There had been cases which non-functional, unusable or unserviceable projects have been commissioned as "completed". A magnificent economic loss is incurred in terms of heavy cost overruns and periodic waste of resources. Government abandoned projects is not only peculiar to Oredo Local Government Area, in Edo State but also in many states in Nigeria., It is also present in other countries such as United States of America (Hicks, 2008), Spain (Carrero, Malvarez, Navas, and Tejada, 2009) Dubai, Malaysia, Saudi Arabia.

However, in Oredo Local Government Area, Edo State, this problem has gone long enough and thereby deserves more urgent attention. On several occasions, it had been observed that governments, contractors and agencies abandoned projects midway without completion. This leads to time and cost overrun.

The expected projection of any project is to be completed while at the same time, adding value to the populace or the citizenry. Although, projects are tentatively undertaken to create a unique product or service with a clear defined starting and finishing date (Gardiner, 2005).

Only little portion of government projects are executed by direct labour, while most of the developmental projects are awarded to contractors. Public structures have been known to be abandoned in the cause of construction or left to dilapidate after being almost practically completed.

Incidents of abandoned projects are rampant all over the country. Projects of high capital cost. Such as residential buildings, office buildings and even road constructions.

BACKGROUND OF THE STUDY

The abandonment of Government projects has brought about many adverse consequences to the developmental structure of the economy, society and environment. Economically, it is a waste of useful resources. The effects and consequences of abandoned Government projects are far reaching as the construction industry plays a major and vital role in the economy and developmental structure of a country like Nigeria.

However, very often there will be lots of opportunities for the public to benefit from the intended purposes of the projects (Bavani, 2009). For private non-housing projects, the consequences are mainly limited to a few project players, i.e. client, contractors, consultants, etc. Nevertheless, the affected parties may suffer devastating losses such as monetary losses, bad reputation, and even bankruptcies. For public projects, however, tens of thousands of house buyers are immediately victimized every year.

According to (Chan, 2009) and (Perumal, 2009), Abandoned Government projects also attract people like drug users, criminals and destitutes to occupy the abandoned sites and hence threaten public security. According to (Stuart, 2009.202), also states that abandoned Government projects may pose danger to anyone who ventures into it particularly children who venture into the area to play.

STATEMENT OF THE PROBLEMS

It has been observed that inspite of the effort put in place by government to bring to actualization the completion of its projects; public projects are still massively abandoned at different stages of construction. Abandoned Government projects affect the environment negatively as it may be used as a refuse dump (Bavani, 2009.102) and for the sludge discharged (Phuah, 2009). Also, some have become unsightly due to becoming overgrown with

undergrowth (Bavani, 2009.102). Even though the problems of abandoned Government projects are far reaching, there is hitherto a lack of research into this area.

According to various studies, the most pronounced causes of abandoned Government projects seem to be, but not limited to the following:

The poor funding level or characteristics of an administration must be considered when the percent funding balance is between 0% and 30%.

On September 15, 2015, six communities at Iyekogba area of Oredo Local Government Area of Edo State protested over the abandonment of a road construction contract awarded by the Niger Delta Development Commission and the continued deplorable condition of roads leading to the communities.

Residents and indigenes of the communities, comprising Ebowe, Uholor, Utangban, Efionayi, Evbuodia and Ulemon, took to the streets of their communities to protest the abandoned road project that was supposed to link the communities from Iyekogba near Ogba River to Upper Ekenwan road leading to Gelegele.

The project was supposed to provide an alternative route to Gelegele jetty through Airport road but over six years after the contract for road project was awarded, it is yet to be completed.

Driving through the communities is a nightmare for motorists as even the Upper Ekenwan axis has become worsen. They appeared cut off by the bad roads. Chairman of Ulemon Community, Julius Iredia, said members of the community have been subjected to hardship due to the abandoned road project.

Iredia said the protest was to draw governments' attention to their plight as the communities have written protest letters to The Presidency through the then state Governor Adams Oshiomhole, and the State House of Assembly, all to no avail. According to him, "The bad condition of the road leading to our communities has brought hardship to us. We have tried our best to meet with the Niger Delta Development Commission in Benin for the completion of the road but nothing has happened since/This abandoned road project has hampered the socioeconomic activities of the community and we are not going to rest until the government comes to our rescue". When contacted for comments, Edo State Commissioner in the NDDC, Mr. Peter Enogieru, said the road project has been abandoned for over four years because of poor funding. According to him, "The contractor has not been paid because of lack of fund. The contractor will work and no payment is made to them, and many of them have taken bank loans, they cannot go back to work. When funding improves like we are expecting under the new regime, things will improved".

Mismanagement of funds and resources as a cause for abandoned project is the process of managing funds and resources badly or wrongly. There are many ways of how mismanagement is carried out. For example, the wrong distribution of responsibilities to the detriment of payments, bills, taxes and neglecting responsibilities, financial problems and economical standing can cause great financial mismanagement and loss.

Political and administrative instability is another important factor that leads to abandoned project, this can be defined as the propensity for regime or government change, or the effects of political upheaval or violence in a society, such as assassinations, demonstrations, and so forth. A good example was that of Hon. John Obazee who built a market opposite grace college in First Eki, Benin/Sapele Road, and there was shift of administration that led to the

discontinuation of the market thereby leaving the market uncompleted and unused.

The Government policies is seen in this light as one of the causes for abandoned project, it will always depend on the political culture of the day. Policy crafted in a politically stable country will be different than those formed in an unstable country. A stable political system can make business-friendly decisions that promote local businesses and attract foreign investors. Unstable systems present challenges that jeopardize the ability of government to maintain law and order. This has a negative effect on the business environment. This can be seen during the assumption of Comrade's Adams Oshiomole into office, in his first term he began a new race for his political career, some projects that were awarded by the former government were abandoned due to the fact that the government did not support such project for example the policy of civil servants compulsory ownership of lands via Cooperative societies was quashed by Governor Adams Oshiomhole.

OBJECTIVES OF THE STUDY

The aims of this project are to examine the causes and effects of abandoned Government Development Projects in the Oredo Local Government Area, Edo State. The above aim was drafted with the following objectives in mind,

- i) To establish and identify the cause or causes of Abandoned government projects in Oredo Local Government Area, Edo State,
- ii) To investigate the effect of the abandoned public development projects on development and the wellbeing of the citizens,
- iii) To determine its effects also on the environment.
- iv) To suggest possible solution to causes of abandonment of public development projects in Oredo Local Government Area, in Edo State.

RESEARCH QUESTIONS

- i) What are the possible causes of abandoned projects in Oredo Local Government Area, in Edo State?
- ii) What are the possible effects of abandoned projects on development in Oredo Local Government Area?
- iii) How can abandoned projects and their effects on development be minimized in Oredo Local Government Area, Edo State?
- iv) What are the possible solutions to abandoned projects in Oredo Local Government Area, in Edo State?

HYPOTHESIS

Hypothesis One

H₀ - Government abandoned projects have no economic effect on the development in Oredo Local Government Area

H₁ - Government abandoned projects has economic effect on the development in Oredo Local Government Area.

Hypothesis Two

H₀-There is no significant relationship between abandoned project and project value in Oredo Local Government Area.

H₁-There is significant relationship between abandoned project and project value in Oredo

Local Government Area.

SIGNIFICANCE OF THE STUDY

This research work will be of great intellectual value to students of Political Science and other discipline who would want to make further research on Government abandoned projects and its effects in the growth and development of Nigeria's Economy.

Individuals, groups and Public sector development agencies are to avoid abandoning project, it will also educate the public on abandonment of projects and the brief history of Oredo Local Government Area, Edo State.

Lastly, it will add to already existing body of knowledge on this topic as it will provide a new window for further research,

SCOPE OF THE STUDY

The aim of the project is to examine the causes and effect of abandoned government development project in the Oredo Local Government Area, Edo State, between the period of 2009 to 2017.

LIMITATION OF THE STUDY

Financial constraints: Insufficient fund tends to impede the efficiency of the researcher in sourcing for the relevant materials, literature or information and in the process relied on data collection through the (internet, questionnaire and interview).

Time constraint: The researcher will simultaneously engage in this study with other academic work. This consequently will cut down on the time devoted for the research work.

OPERATIONAL DEFINITION OF TERMS

Abandoned: To stop doing something because there are too many problems and it is impossible to continue

Project: Planned set of interrelated tasks to be executed over a fixed period and within certain cost and other limitations.

Development: The process of economic and social transformation that is based on complex cultural and environmental factors and their interactions.

Government: Is the system or group of people governing an organized community, often a state.

Consequences: something that happens as a result of a particular action or set of conditions.

REVIEW OF RELATED LITERATURES

CONCEPT OF ABANDONED PROJECTS

A project is a sequence/series of tasks, bounded by time, resources and requires results to achieve a particular aim (Baum and Tolbert, 1985). The management of such project requires the application of knowledge, skill, funds and techniques to execute the project effectively and efficiently.

The development projects are classified as abandoned project when the expected

activities to be performed for the completion of the development is stopped because of many difficulties surrounding the development.

Chan, Scott and Lam (2002) argued that the projects abandonment result from the following; lack of funds, mismanagement, lack of contractors competencies; lack of the client competencies; lack of understanding of risk and liability assessment; improper feasibility study, lack of the end users' needs and the end users imposed restrictions on the project development.

Project development particularly infrastructural projects are intended to provide new products and services to the community and at the time promote the beauty of the environment, but these advantages are underestimated and unattained because of its continuous abandonment. According to Osemenan (2007) Nigeria has become the world's junk-yard" of abandoned projects worth billions of Naira. Kotangora (1993) in supporting the fact contended that there are about 400 uncompleted or abandoned development projects costing more than three hundred billion (N300 Billion) Naira embarked on by successive governments. Huges (2006) maintained that it is the improper understanding and utilization of the basic project managerial principles such as improper focus of the management by compensating the wrong actions for good and the lack of communication of the project goals that contributes to the projects abandonment. Other impeding factors of project abandonment are prevailing corruption in the country and in every state in the Nation. Several authors who studied corruption have concluded that corruption has negative effects on the growth and project development of any nation.

According to Ekpo and Egenedo (2005), corrupt practices inherently introduce distortions in the economic system and it has the capacity to impair hard work, diligence and efficiency. It is capable of diverting resources from the societal to private or personal use. They maintain that it subverts honest selection processes and distort prices; whereas Ackerman (2008) reaffirms that corruption weakens institution, hampers investment and retards economic development.

Nyerere (2009) observes that corruption is an enemy of progress and development which could be treated as serious crime equivalent to treason. Akindele (2005) argued that corruption in whatever form is inimical to the development of any society.

This strengthens the view of Ackerman (2008) who asserted that corruption manifests its direct effect in the form of abandoned projects such as roads not constructed, electrification projects frustrated, pipe borne water not available, industries or factories skeletal working but completely abandoned. Clients need to be more vigilant of the possibility of project manager taking bribe from the contractors to avoid losing control of the quality of the projects (Chiang, 2008). Poor quality control may eventually leads to delay if not resulting to abandonment of the project (Toor and Ogunlana, 2008).

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, labour and materials cost increases amongst others.

However, in Oredo Local Government Area, Edo State, this problem has gone long enough and thereby deserves more urgent attention. On several occasions, it had been

observed that governments, contractors and agencies abandoned projects midway without completion. This leads to time and cost overrun.

The expected projection of any project is to be completed while at the same time, adding values to the populace or the citizenry. Although, projects are tentatively undertaken to create a unique product or service with a clear defined starting and finishing date (Gardiner, 2005). The achievement of such objectives should be realized at all times otherwise, such development becomes non-essential.

EFFECTS OF DEVELOPMENT PROJECTS ABANDONMENT AND ITS VALUES

Development projects abandonment as earlier theorized involve the complete absconding from accomplishing a project objectives, and when this happen, all the social, environmental and economic activities that expects to be supported by the new products and services provision are detracted. The general effects are assumed to include: waste of resources; declining in property value; loss of community and neighborhoods aesthetics values (Efenudu, 2010). In the case of the declining real properties and its value, Efenudu (2010) suggested that project abandonment affects properties within a neighborhood by lowering property values.

This value loss or reduction is related to the property total value such as the market value, which is the value at which a property would bring when determined by the open market. Others are the property value in use, the property investment value, the property liquidation value, the assessed value of the property, the insurable property value and the property going concern value.

Also, there is a loss on community and neighborhood aesthetics characteristics which the anticipated development projects on completion ought to provide to enhancing the built environment but the unattractive nature of the property as a result of a lack of the needed facilities has remained incessant in the Nigeria economy. For example, when a building property has been raised and later abandoned, it makes no positive aesthetic values, pleasures and contributions to a neighborhood instead it become eyesores to the vicinity. Further, development projects abandonment contributes to the effect of wasted resources and loss of tax revenue (Ayodele and Alabi, 2011) to the governments and other groups in the economy. Real property development projects are usually capital intensive and when abandoned and/or left uncompleted, the expected returns are lost and the already capital outlay is apparently wasted.

Therefore, every development projects should be completed as earmarked. However, the study in the following session would investigate and assess through questionnaire the causes of development projects abandonment and the overall effect on real properties and its values.

CAUSES OF ABANDONED GOVERNMENT PROJECTS

Generally, the major causes of abandoned Government projects identified from existing literature are:

1. Mismanagement of funds and resources
2. Government policies
3. Political and administrative instability

4. Poor funding

Mismanagement is one of the causes of abandoned Government projects, Examples of mismanagement that may lead to abandoned Government projects are:

- 1) Lack of proper feasibility studies (Ibrahim, 2006.122) particularly inaccurate market research and study (Kong, 2009.43),
- 2) Unattractive marketing strategies (Ibrahim, 2006.98), and
- 3) Incompetent and poor financial management by the developers (Ibrahim, 2006,59).

The first two of these examples are particularly concerned with the sales of house units as important source of cash flow for housing developers. The lack of proper feasibility studies and inaccurate market research and study may result in unsuitable project scheme to be undertaken for the prevailing market. Therefore, a wrong decision might be made to undertake a project which is in fact less feasible than expected. Unattractive marketing strategies may further exacerbate a less attractive scheme of project already undertaken by a developer.

Ibrahim (2006) also points out that mismanagement may happen due to the lack of experience of developers.

Poor funding

Finance is the life wire of any establishment including land, labour, capitals, entrepreneur and information. The capital here refers to finance which can be used to procure other factors of production there by making it more important than others. Fund is obviously the major element in every establishment. It is equally the working capital of an establishment.

Public project funding generally means the various ways we derive the expected funds for capital and recurrent expenses. It involves the money available or allocation for running its day to day activities.

However, the funding and financial allocations to public projects have remained poor over a long period of time. Public projects needs adequate resources to run their services, pay and hire personal, provides current information, arrange, organize and monitor both human and materials resources.

Government policies:

Khalid, (2005) This system is intended to enable more houses to be built at a faster rate and a lower price (Chen, 2007). As the name implies, houses can be sold before the houses are being built, therefore more cash flow from the start of the construction phase and less requirement for the developer's own capital. This has enabled more developers of smaller capital to be involved in the business.

However, according to Chang (2009) having smaller developers in the housing industry are the main cause of the abandonment of Government projects. Being small, these developers have to rely critically on their sales to meet their cash flow. The sell-then build system as a cause of abandoned Government projects is also supported by Former Prime Minister Abdullah Ahmad Badawi (HBA, 2006) and the President of Federated Association of Consumer Nigeria (FOMCA) (as cited in Khalid, 2005).

Chen (2007) claimed that the Tribunal for Homebuyer Claims has proven to be very effective. It is however believed that how limited the jurisdiction of the Tribunal or how

effective it is to help homeowners seek redress do not cause the abandonment of Government projects as it is only relevant after Government projects have been abandoned. In other words, it is believed that Ibrahim (2006) arguments only serve to reflect the effectiveness of the Tribunal as a remedy to already abandoned Government projects rather than being the cause of the abandonment.

As for unfavourable planning and land policy, the specific planning and land policy which is unfavourable was not given by (Khaiid 2005). Chen (2007) however argues that it is inefficient public delivery system rather than unfavourable government policies that causes the abandoned project problem. Lack of enforcement of control and monitoring by the government as a cause of abandoned Government projects is also mentioned by Ibrahirn (2006).

Ibrahim (2006) states, among others, that there should be stricter licensing for developers, better system to detect abandonment of projects, harsher punishment for errant developers and less bureaucracy in the approval process of housing plans. Many sources give economic crisis or financial crisis as a cause of abandoned Government projects.

THE STRATEGIES AND REMEDIES TO PREVENT ABANDONMENT OF PROJECT

This abandonment of government project is done without taking into cognizance the huge amount of public funds involved in initiating such projects and programmes. These abandoned projects cut across all sectors including Health, Education and Roads. Cases abound where some administrators on assumption of office change every house hold item in their residential quarters because they do not want to share what their predecessors used. Some even pull down the entire building and build new ones.

The point is that, as soon as these programmes and projects are abandoned, new ones are initiated only to be abandoned again by yet another successive government. And so, the abandonment continues while the nation's resources continue to be wasted.

In the developed World, those who take over from previous government are always happy to use items used by the founding fathers of such countries several years back. Projects and Programmes as well as policies there are sustained. They do so because they place the interest of the people and their nation's above all other considerations.

This sustainable policy has yielded positive results as these countries have moved from developing to developed world. So, for Nigeria to take its rightful position in the committee of nation, a concrete and decisive step must be taken to ensure the sustainability of government programmes, policies and projects.

The National Assembly should come up with 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 recourses for other new projects. The policy of .. always starting afresh cannot lead the country to the promised

Time has come for political office holders to emulate the sterling qualities of the founding fathers of the nation. Elected officials should know that they are holding offices in trust for those who elected them and therefore place the interest of the people above their personal interest.

Abdul (2013) using findings from review of related literature and the case studies

analysis of the Nigeria industries advanced the following as strategies and remedies to prevent the problem of government project abandonment:

- i) Legal actions and amendments,
- ii) Public-private partnership,
- iii) Scrutiny of current selling system

The remedies after the problem has occurred include:

- a) The rehabilitation of the abandoned projects, actions taken to rescue the rights of purchasers as the creation of a special task force and a special purpose vehicle.
- b) Adequate Project Approach both at the conceptual, implementation and through the lifecycle of projects have high propensity to minimize project abandonment.

LITERATURE REVIEW ON DEVELOPMENT

The concept development is so essential to economics in general. Economic problems do, of course, involve logistic issues, and a lot of it is undoubtedly "engineering" of one kind or another. On the other hand, the success of all this has to be judged ultimately in terms of what it does to the lives of human beings.

According to Bauer (2001), the enhancement of living conditions must clearly be an essential- if not the essential-object of the entire economic exercise and that enhancement is an integral part of the concept of development. Even though the logistic and engineering problems involved in enhancing living conditions in the poor, developing countries might well be very different from those in the rich, developed ones, there is much in common in the respective exercises on the two sides of the divide.

Sometimes development economists have been rather protective of their own domain, insisting on separating development economics from the rest of economics. While the underlying motivation behind this effort is easy to understand, it is important not to make too much of the divide, nor to confuse separateness with independence. Tools of standard economics may have much fruitful use in development economics as well, even when the exact problems addressed happen to be quite specialized.

The term is so imprecise and vulgar that it should be removed from any proper lexicon of technical terms. With it should go concepts like modernization and modernism. Despite its (and their] shortcomings, however, this will not happen. They and their assorted intellectual baggage will remain key concepts of social analysis. Whether one is for or against, believer or cynic, they are here to stay. The best thing about them is that their content changes and their meanings alter. That being the case, development is a continuous intellectual project as well as an ongoing material process. (David Apter 1987)

The term development is frequently employed to highlight entrenched forms of poverty around the world, alongside some of the main ideas which seek to address this phenomenon. The degree of contestation surrounding the term is reflected in the above passages and debate continues to rage over the meaning and measurement of development. The flexibility and fluidity of the term can call into question the extent to which the term 'development' sustains analytical utility and while Apter, (2014) argues that the term is 'Vulgar' and 'imprecise' in nature, development remains extremely significant, both as a term and as a related set of

processes.

The mutability of the term development can also represent a principal strength, allowing for development to be seen as both an "intellectual project as well as an ongoing material process" (recalling Apter, above). Indeed, almost regardless of the way in which it is perceived, people from around the world clearly maintain aspirations for development (Corbridge, 2007; Green, 2003; Simon, 2006), even in spite of the manifold misguided attempts which have ostensibly set out to improve the lives of people across the world. Wide-ranging forms of interventions have ostensibly set out to improve the material conditions of people from across the world, yet massive inequalities persist at all scales and in many instances these are growing, even in spite of seemingly sustained attempts to reduce global poverty.

There is a mass of literature on "development" and investigating the meanings of the term is by no means novel. Gillian Hart (2001), for example, usefully identifies two particular readings of development, with 'big D' Development referring to direct interventions, while 'little d' development highlights the spread and growth of capitalism overtime.

This effectively builds on Cowen and Shenton's (2006) historiography of development, wherein they divide between imminent/intentional development and the immanent development of capitalism, a distinction drawn on in this thesis. However, it remains comparatively rare for the supposed beneficiaries of interventions to be involved in discussions pertaining to the meaning of development. While 'participation' is now central to many academic perspectives and development interventions, this often involves supposed beneficiaries in a piecemeal manner and does not take into account their worldviews or consider their overarching understandings of 'development' (Briggs and Sharp, 2004; Cooke and Kothari, 2001).

With this in mind, this thesis is framed by the question "How is development understood by those who have, over time, experienced various forms of intervention?" This is clearly informed by Crush's view (above) that there is a necessity for local "historical geographies of development" and the three areas below partly reflect my own perceptions of development. In order to investigate the central research question three specific elements are considered, with history and geography placed alongside materiality.

Growth and development: The close link between economic development and economic growth is simultaneously a matter of importance as well as a source of considerable confusion.

There can scarcely be any doubt that, given other things, an expansion of opulence must make a contribution to the living conditions of the people in question. It was, therefore, entirely natural that the early writings in development economics, when it emerged as a subject on its own after the Second World War, concentrated to a great extent on ways of achieving economic growth, and in particular increasing the gross national product (GNP) and total employment (Rosenstein-Rodan (2003:53), The process of economic development cannot abstract from expanding the supply of food, clothing, housing, medical services, educational facilities, etc. and from transforming the productive structure of the economy, and these important and crucial changes are undoubtedly matters of economic growth. The importance of "growth" must depend on the nature of the variable the expansion of which is considered and seen as "growth". The crucial issue, therefore, is not the time-dimensional focus of growth, but the salience and reach of GNP and related variables on which usual measures of growth

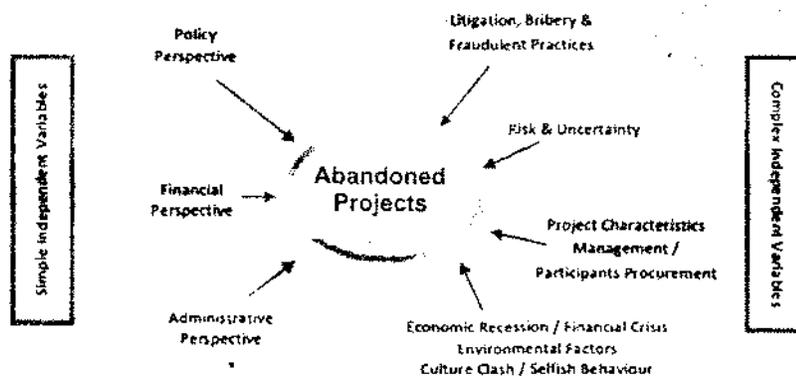
concentrate.

THEORETICAL FRAMEWORK

Feedback in the form of preliminary interviews and questionnaires gave a comprehensive insight on the main causes and as to the surge in the number of abandoned projects in Oredo Local Government Area, Edo State. In aiming to identify the main causes and effects of abandoned projects, it was considered as of equal importance to establish the relationship between the causes and effects based on a cause-and-effect fishbone diagram methodology to establish the causal relationship achievable by designing the questionnaire in a categorical sense.

This is considered valid based on matching causes and effects according to pre-specified categories; as a pioneering piece of work having to deal with complex array of variables. Additionally, this research sets out to identify the parties involved and to what extent these causes relate to them.

Theories are formulated to explain, predict; and understand phenomena and in many cases, to challenge and extend existing knowledge within the limits of critical bounding assumptions.



The theoretical framework is the structure that can hold or support a theory of a research study. The theoretical framework introduces and describes the theory that explains why the research problem under study exists (Swanson, 2013). The variables of the research are represented as a form of theoretical framework. Following the determination of the variables, a research strategy was drawn up (see Figure 1.2). The theoretical framework describes the relationship amongst the variables in the research and the effects of that relationship that can also be seen as an input-output process.

The research flow shows the separation between the factors and parties related to the Causes of Abandoned Projects and the Effects of those causes on the respective parties.

The development projects are classified as abandoned when the expected activities to be performed for the completion of the development is stopped because of many difficulties surrounding the development

Management Theory Perspectives

Abandoned Government projects problems owe the explanations from the management theory viewpoints. For this purpose, the management theory from classical and

contemporary viewpoints is employed and adopted to explain the phenomena.

Historically classical management theory which was pioneered by Henry Fayol (1841-1925) and Max Weber (1864-1920), concerns with managing the total organization (Kinicki & Williams, 2008). Robbins and Judge (2007) define organization as a place where manager work. From the statement, it reveals that organization and the manager are positively related.

According the theory, the job of the manager is to get things done through organization's resources by planning, organizing, and leading, controlling and coordinating (Robbins & Judge, 2007). Max Weber's theory described the situation that a better performing organization depends on well-defined hierarchy of authority, formal rule and procedure, a clear division of labor, impersonality and career based on merit.

In context of business, the organization in housing industry is mainly private developers and contractors. Some studies discovered that the problems have originated from within in which when they have failed to carry out the tasks accounted to them. Ministry works and Local Government (2004) reported that private developers fail to finish and complete the construction work due to lack of management practice by the developer. Besides supporting the statement, studies by Ahmad (2005), Dahlan (2006), Sambasivan and Soon (2007) and Khalid (2010) discovered that poor management knowledge, motive of profit maximization, and lack of hierarchy control in the organizations are other factors that contribute to the reasons why private developers fail to complete their public projects.

According to classical management point of views, the manager must get things done through planning, organizing, leading and controlling, communicating and coordinating in order to ensure the success of the objectives of the organizations.

Tan (2005) proclaimed that public projects construction consist of many activities which relied on resources of human, money, material and machineries therefore the managers must plan and organize them accurately to reach higher productivities. Classical theory views that the organization work as communities with members and subordinate work together in harmony where complex within must be resolved to satisfy the parties involved. The theory also views that the work process must be under the control of workers with relevant knowledge. As project manager in construction public project the manager should have good and competence knowledge because the construction so complex therefore, it requires contractual arrangement (Chua et. al. 2009). This statement by Byliss (2002) said that the project manager is responsible in orchestrating the whole construction process. Based on theory, having good management knowledge and efficient management practice the organization then be able to perform well and ultimately reach objective. In the case of public project industry in Nigeria, the developer would be able to deliver the completed housing units to the home buyers if the manager has had good management knowledge to lead the organization achieving project goal. Other management theory related to organization performance is behavioral viewpoint which part of contemporary management theory. According to this viewpoint, better human relations could also lead to worker productivity. Abraham Maslow, the pioneer of hierarchy of need theory, proclaimed that better human management could increase worker productivity through the fulfillment of physiological need, safety need, social esteem, belongings need and self-actualization.

In relation to this issue, Gould and Joyce (2003) revealed that contractor labor are plumber, pipefitter, election, bricklayer, glazier (glass installer), roofer, carpenter, blacksmith,

cement mason and machine operator, therefore, to coordinate them successfully it lies upon the manager management skill and credibility.

In the context of private developers, Nigeria Employment Federation (2005) reported that there is low participation from skilled local construction workers. Aman and Shiadri (2008) found out that skilled local construction workers refuse to involve due to uncomfortable working condition, unsafe environment, lack of accreditation of work status by the government (recognition) and low wages.

From this theory, it can be concluded that the public project abandonment are due to low productivity of the private developers which contributed by hiring unskilled and low wages foreign construction workers. However, Mohd Nor et.al (2001) found out that foreign labors are neither a substitute nor a compliment for domestic labors.

Mohd Nor et. al. (2011) discovered that the number of foreign workers do not affect the performance of domestic workers. From the discussion it can be concluded that the CEO or head of the organization in housing industry has failed to lead the organization to achieve high productivity, efficiency and competence in accomplishing organization goals. It was empirically proven that organization with good management practice, creative managers is able to form good strategy planning to achieve sustainable high achievement of productivity and promising performance (Som, 2008).

The findings by Dahlan (2011) agreed with Loi (2001), Khalid (2010) and Tan (2011). In this study Loi (2000) and Khalid (2010) had discovered that public projects in Nigeria is highly regulated and it is govern by so many legislations. Loi (2001) described that the Nigeria Housing Industry is govern by more than 50-60 piece of legislation ranging from development license issuance to private developers, law of building and land to the environment and workers safety.

Moreover, Loi (2001) stated that it is compounded by the fact that separate laws, policies, and controlled by federal, state and local government separately.

Tan (2011) highlighted the complexity and hurdles of the development approval by stating that all the relevant arrangements in housing developments such as land conversion for housing, drawing of layout plans, building and structure plans, planning of infrastructure and assessment of environment impact must be approved by federal and state authorities. These approval processes for development involves federal and state agencies which consist of Land and Mine Department, Land office, Local Authorities, survey Department,

However, the private developers in this period of time are allowed to advertise and to sell the house units to the public's through pamphlet and brochures after receiving advertisement permit from local authority such as city municipal council. Moreover, the private developers can collect the money from the potential home buyers. Fen (2007) further highlighted the complexity in the current housing system in Nigeria.

According Fen (2007) current housing system in Nigeria exercises Sell-Then-Built or STB. Under this system the potential house buyer required to pay ten to twenty percent (10-20%) down payment upon the signing of Sale and Purchase Agreement.

This agreement which signed by both the private developer and house buyer does not concern the loan mortgage provider (The Bank) or the contractor. Similarly, by legal agreement the private developer hires the contractor to buiid the house units. The signed of agreement between private developer and the contractor for particular public project does not concern the either the home buyer or the authorities.

RESEARCH METHODOLOGY

The description survey method was used in this research work. The method advocate in sampling a proportional representation of the complete population. The researcher used questionnaire to sample her view.

Baridan (2001) defined research as a framework or plan that is used as a guide in collecting and analyzing the data for a study, it is a model of proof that allows the researcher to draw inference concerning casual relation among the various investigations.

POPULATION OF THE STUDY

The population of this study is residents and workers in Oredo Local Government Area, Edo state which is 300. Both the male and female were included in this population study.

SAMPLE SIZE AND SAMPLING TECHNIQUES

A sample size is a unit or portion of the population. The sample size of this study would be determined through the use of Taro Youmen's formula i.e.:

$$n = \frac{n}{1 + N(e)^2}$$

Where

n = sample size

N = population of the study

e = level of significant

$$n = \frac{n}{1 + N(e)^2}$$

$$n = \frac{300}{1 + 300(0.05)^2}$$

$$n = \frac{300}{1 + 300(0.0025)}$$

$$n = \frac{300}{1 + 0.25} = 240$$

n = 240 sample size.

METHOD OF DATA COLLECTION

The method of data collection used for the purpose of this research work is both the primary and secondary source of data collection. This enables the researcher to find a solution to the research question under consideration.

Primary data: in the primary data the research instrument used in the collection of information for this research work is the questionnaire and interview. The questionnaire is a set of questions compiled relating to the aims and objectives of the study to which the respondent (sample) are required to answer by ticking their response. Interview are oral question, A face to

face interaction which the researcher asked the respondents questions which are responded orally.

Secondary Data: the researcher makes use of data collected from various secondary sources such as textbooks, published materials, journals etc.

VALIDITY OF THE INSTRUMENT

The designed questionnaire will be distributed and the validity of the instrument to be known from the responses. The instrument is validated by my supervisor because the questions were unambiguous, precise, clear and objective.

RELIABILITY OF THE INSTRUMENT

An instrument is said to be reliable when it is consistent overtime. To determine the reliability of the instrument to be used, a sample of this questionnaire was administered on the same set of respondent and their response was the same showing that the instrument is very reliable, Therefore, the instrument was applied through the test and retest method.

METHOD OF DATA ANALYSIS

The data will be presented and analyzed in a manner that will enable the researcher interpret the findings using statistical tools. The statistical tools of analysis that will be used to test hypothesis in this research work is the chi - square, which is denoted with the statistical symbols of χ^2

$$\chi^2 = \sum \frac{(fo - fe)^2}{fe}$$

Where

χ^2 = chi - square

Fo = frequency observed

Fe = frequency expected

DATA ANALYSIS

This chapter deals with the analysis of data collected and presentation of result gathered from respondents. The respondent to question in the questionnaire were represented in a table, analyzed and interpreted using the simple percentage methods. The hypothesis was tested using the Chi-square (χ^2) statistical method of data analysis

Table 1: Government abandoned projects has no economic effect on the development of Oredo Local Government Area.

OPTION	RESPONDENT	PERCENTAGE
Agreed	126	52.5
Disagreed	84	35
Undecided	30	12.5
Total	240	100

Table 3: Lack of fund is a major factor to public abandoned project

OPTION	RESPONDENT	PERCENTAGE
Agreed	150	62.5
Disagreed	54	22.5
Undecided	36	15
Total	240	100

From the questionnaire administered 150 respondents agreed representing 62.5% of the population. 54 respondents disagreed representing 22.5% of the population and 36 respondent representing 15% were undecided.

Table 4: The consequence of government abandoned project are suffered alone by the masses

OPTION	RESPONDENT	PERCENTAGE
Agreed	120	50
Disagreed	90	37.5
Undecided	30	12.5
Total	240	100

From the table above, out of the 80 questionnaire administered, 120 respondents representing 50% of the population agreed, 90 respondents representing 37.5% of the population disagreed and 30 respondent representing 12.5% were undecided.

TEST OF HYPOTHESIS

Testing of hypothesis is for the purpose of simple and direct analysis. Research hypothesis is designed to answer research question by subjecting the hypothesis to test using relevant tactics

H_0 - Government abandoned projects has no economic effect on the development of Oredo Local Government Area.

H_1 - Government abandoned projects has economic effect on the development of Oredo Local Government Area.

Table 1:

OPTION	MALE		FSKALE		ROW TOTAL
	FO	FE	FO	FE	
Agreed	66	24.2	60	17.9	42
Disagreed	54	16	30	11.9	28
Undecided	18	5.8	12	4.3	10
Total	138		102		

Where:

Fo = frequency observed

Fe = expected frequency

Hence to get fe

$$fe = \frac{\text{column total} \times \text{row total}}{\text{grand total}}$$

$$fe \text{ for } 66 = \frac{138 \times 42}{240} = 24.15$$

$$fe \text{ for } 54 = \frac{138 \times 28}{240} = 16.1$$

$$fe \text{ for } 18 = \frac{138 \times 10}{240} = 5.75$$

$$fe \text{ for } 60 = \frac{102 \times 42}{240} = 17.85$$

$$fe \text{ for } 30 = \frac{102 \times 28}{240} = 11.9$$

$$fe \text{ for } 12 = \frac{102 \times 10}{240} = 4.25$$

Chi - square method

$$x^2 = \sum \frac{(fo - fe)^2}{fe}$$

Where x^2 = chi - square

$$x^2 = \frac{(66 - 24.2)^2}{24.2} = 0.2$$

$$x^2 = \frac{(54 - 16.2)^2}{16.2} = 0.25$$

$$x^2 = \frac{(18 - 5.82)^2}{5.82} = 0.007$$

$$x^2 = \frac{(60 - 17.9)^2}{17.9} = 0.25$$

$$x^2 = \frac{(30 - 11.9)^2}{11.9} = 0.3$$

$$x^2 = \frac{(12 - 4.3)^2}{4.3} = 0.021$$

$$0.2 + 0.25 + 0.007 + 0.25 + 0.3 + 0.0021 = 1.03$$

Calculated value = 1.03 Degree of freedom

$$Df = (r-1)(c-1)$$

Where df = degree of freedom

R = row total

C = column total

Df- $(2-1)(3-1)$

= $1 \times 2 = 2$

Degree of freedom = 2

Level of significant = 0.05

Thus calculated value = 1.03

Table value = 5.99

DECISION RULE

Since the table value is greater than the calculated value, we accept the null hypothesis (Ho) and reject the alternate hypothesis (H1) by this it means that Government abandoned projects has no economic effect on the development of Oredo Local Government Area.

H₀ - Government abandoned projects has no economic effect on the development of Oredo Local Government Area.

H₁ - Government abandoned projects has economic effect on the development of Oredo Local Government Area.

Table 2: The masses have no say to government abandoned project.

OPTION	MALE		FEMALE		ROW TOTAL
	FO	FE	FO	FE	
Agreed	84	24.2	54	21.9	46
Disagreed	42	17.9	60	16.2	34
Undecided	0		0		0
Total	126		114		240

$$fe = \frac{\text{column total} \times \text{row total}}{\text{ground total}}$$

$$fe \text{ for } 84 = \frac{126 \times 46}{240} = 24.2$$

$$fe \text{ for } 42 = \frac{126 \times 34}{240} = 17.9$$

$$fe \text{ for } 54 = \frac{114 \times 46}{240} = 21.9$$

$$fe \text{ for } 60 = \frac{114 \times 34}{240} = 16.2$$

Chi - square method

$$x^2 = \frac{(fo - fe)^2}{fe}$$

$$x^2 = \frac{(84 - 24.2)^2}{24.2} = 0.59$$

$$x^2 = \frac{(42 - 17.9)^2}{17.9} = 0.85$$

$$x^2 = \frac{(54 - 21.9)^2}{21.9} = 0.69$$

$$x^2 = \frac{(60 - 16.2)^2}{16.2} = 0.89$$

0.59 + 0.85 + 0.69 + 0.89 = 3.02

Df = (r-i)(c-i)

(2-i) (3-1)

1x2-2

This calculated value is 3.02:
Table value = 5.99

DECISION:

Since the table value of 5.99 is greater than the calculated value of 3.02, we accept the null hypothesis (Ho) which state that the masses have no say to government abandoned project

Table 3: Lack of fund is a major factor to public abandoned project

OPTION	MALE		FEMALE		ROW TOTAL
	FO	FE	FO	FE	
Agreed	90	3	60	2.0	50
Disagreed	30	10.8	24	7.2	18
Undecided	24	7.2	12	7.2	12
Total	144		96		240

H₀: Null hypothesis: Government abandoned projects has no economic effect on the development in Oredo Local Government Area.

H₁: alternative hypothesis: Government abandoned projects has economic effect on the development in Oredo Local Government Area.

Table 3: Lack of fund is a major factor to public abandoned project

H₀ (null hypothesis): There is no significant relationship between abandoned project and project value in Oredo Local Government Area.

H₁ (alternative hypothesis): There is significant relationship between abandoned project and project value in Oredo Local Government Area.

$$fe \text{ for } 90 = \frac{144 \times 50}{240} = 30$$

$$fe \text{ for } 30 = \frac{144 \times 18}{240} = 10.8$$

$$fe \text{ for } 24 = \frac{144 \times 12}{240} = 7.2$$

$$fe \text{ for } 60 = \frac{96 \times 50}{240} = 20$$

$$fe \text{ for } 24 = \frac{96 \times 18}{240} = 7.2$$

$$fe \text{ for } 12 = \frac{96 \times 12}{240} = 4.8$$

Chi - square method

$$x^2 = \sum \frac{(fo - fe)^2}{fe}$$

$$x^2 = \frac{(90 - 30.2)^2}{30.2} = 0$$

$$x^2 = \frac{(30 - 10.8)^2}{10.8} = 0.059$$

$$x^2 = \frac{(24 - 7.2)^2}{7.2} = 0.89$$

$$x^2 = \frac{(60 - 20)^2}{20} = 0$$

$$x^2 = \frac{(24 - 7.2)^2}{7.2} = 16.2$$

$$x^2 = \frac{(10 - 4.8)^2}{4.8} = 0.13$$

0 + 0.059 + 0 + 6.2 + 0.13 + 16.4 .Df = (r-1)(c-1) (2-1) (3-1) Degree of freedom = 2 Level of significant = 0.05 Thus calculated value = 16.4 Table value = 5.99

Decision

Since the calculated value of 16.4 is greater than the table value of 5.99, we accept the alternative hypothesis which state that lack of fund is a major factor to public abandoned project

RESEARCH FINDINGS

Table 1 above shows that the table value is greater than the calculated value, we accept the null hypothesis (Ho) and reject the alternate hypothesis (Hi) by this it means that Government abandoned projects has no economic effect on the development in Oredo Local Government Area.

Table 2 above shows that table value of 5.99 is greater than the calculated value 3.02, we accept the null hypothesis (Ho) which sees that the masses have no say to government abandoned project

Table 3 above shows that the table value 16.4 is greater than the table of 5.99, we reject

the null hypothesis (H_0) and accept the alternate hypothesis which states that lack of fund is a major factor to public abandoned project is the cause of abandoned project in Oredo Local Government Area.

SUMMARY

This paper affirmed that public abandoned projects which would have impacted positively on the economic and overall development of the nation litters the corners and open spaces of the country.

Many factors accounted for this, ranging from errors in prequalification and procurement procedure, to misappropriation of finance to incompetent consultants.

Only little portion of government projects are executed by direct labour, while most of the development projects are awarded to contractions.

Public structures have been known to be abandoned in the cause of construction or left to dilapidate after being practically completed.

The unceasing abandonment of public projects is so shocking in the developing countries such that Nigerian has remained one of the countries in such difficulty (Ayodele and Alabi, 2011; Kotangora, 2003; Osemenan, 2007.467). Therefore, the significance that the incessant abandonment of public projects would bring several effects on real properties and its values and the economy cannot be overemphasized since some of the abandoned buildings and development projects provide the basic services that should enhance the real properties developed.

The abandonment of public projects is the act of isolating the projects or discontinuing any activities or maintenance works on such development project within a time frame of the contract agreement and with no intention of returning back to the development (Spelman, 2003.115). Similarly, O'Flaherty (2003.762) while reflecting on property development projects suggest that it is when an owner or developer is ceasing to provide the required maintenance management to a developed property.

CONCLUSION

The causes and effects of these public projects abandonments are not just peculiar to a particular reason rather cut across several reasons (Ayodele and Alabi, 2011.315), and as well as creating a total dwindling effects on the values of developed properties located close and within the vicinity. Most of this abandoned public project usually turned into hideout for criminals abandoned project. Although, the location of the abandoned project and demand is equally important but accessibility and the availabilities of the infrastructures in the real property location and in the surrounding built environment should be of much more significant determinants in this study context. Values in itself are not intrinsic (Schram, 2012.347) rather depends on the benefits derivable from that property.

The following recommendations are put forward to resolve most abandonment problems associated with public projects especially in Nigeria:

1. Most public projects are complex and require professional team to procure and deliver.
2. Adequate planning, feasibility, viability and effective monitoring of financial outlay for construction projects should be put in place by various agencies concerned to reduce instances of project abandonment.

3. Public projects involving huge capital outlay are prone to being forced to remain in the shelf for long as there is simply no cash in sight for people to buy.
4. Government agencies through her numerous inconsistent policies, consultants and selection procedures are pointers to abandonment of public projects that litters the whole country.
5. Provision of infrastructural facilities before, during and after the completion of public project is very important to forestall abandonment.
6. The continued neglect of on-going projects of previous governments by newly elected governments without considering the importance's of such project to National development.
7. Only new projects, which can be completed with the available resources, should be initiated.
8. The selection processes and consultant should be characterized by accountability, transparency, honesty and integrity..
9. The use of political undertone rather than economic advantage in sitting of projects should be discouraged.
10. Corruption at the level of Government and other stakeholders in the housing sector should be curbed through Due process, Economic and Financial Crime Control (EFCC), Budget Monitoring and Price Intelligence Unit (BMPIU) and other Crime Control Agencies.
11. The need to set up a National Construction Industrial Bank is overdue.

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