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Nigeria: A Monumental Fraud

OPINION

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LAST week, the Federal Government signaled its plans to reactivate the comatose Nigerian rail system with President Obasanjo's turning of the sod on Tuesday, of the \$8.3 billion Lagos-Kano standard gauge rail line project, at Kajola, Ogun State.

It's the first of a five-phased project planned for the country. This project platform is conceived to include three longitudinal and five latitudinal backbones, to connect Lagos-Ibadan, Ibadan-Ilorin, Ilorin-Minna, Minna-Kaduna-Kano, and Minna-Abuja-Kaduna. President Obasanjo described Tuesday as "a red-letter day in the history of Nigerian railways; in the history of the transport system, and in the economy of the country."

He expects the "multiplier effect" to stimulate growth in mining, agriculture, tourism, etc. According to the minister of transport, Mr. Habib Aliyu, the project is designed to be completed in 48 months, from survey, design, and construction. Another news report indicate that the federal government has entered into a preliminary \$10 billion contract to build the East-North rail from Port-Harcourt to Maidugri, in an agreement secured between South Korea's minister for energy and industry, Chung Sye Kyun and Nigeria's oil minister, Ed Daukoru, at the Korea-Africa Forum. Very well and dandy. This is heart warming. It should be heart warming. The East-North rail ought to stimulate economic activity, and faster access for the much neglected Eastern Nigerian Economic corridor comprising what we now call the South-East and the South-South economic escarpments. Nigerians have been demanding the simplest of social services provided by governments at various levels "municipal, state, and federal to no avail. Modern, efficient transportation is only part of that service. The movement of people and goods is central to any economy, and the rail system is the logistical oil upon which an increasingly complex economy, and a growing, mobile population depends for clean, fast, and dependable movement.

For so long, the movement of goods and people has depended so heavily on road transportation. Only dim wits would fail to see the implication of this, and the cost of such limitations. Nigeria ought to have evolved a transport system, and implemented a vertical and horizontal programme of public transportation, which would have connected roads, air, rail, and sea transportation, in a multimodal system, to serve its mobile population over the years.

There is no doubt that the rail project would open up large tracts of Nigeria to great new opportunities. Some questions however, crop out the current plans for the five-phased rail project, and the entire public policy temper of this administration. One question, a particularly moral one is, where is the Eastern heartland in the design of this transport policy? One would have thought that a vertical platform, comprising the East-West line through Port-Harcourt-Aba, Aba-Owerri, Owerri-Oguta-Warri, Warri-Benin and Benin-Lagos, with intermodal centres at Benin, Warri and Owerri would have been part of the rail plan by the Federal Ministry of Transport, with a horizontal platform from Owerri-Onitsha, Onitsha-Asaba-Lokoja, Lokoja-Abuja making up the system. This is not only a matter of economic justice, but also clearly, a strategic and logical imperative. The areas of the former Eastern and Midwestern region, now the South-East and South-South zones, have remained disaster zones, unable to heal since the civil war which devastated both areas, and have suffered neglect and strategic divestment. But contiguous and active, the great potential of inter-regional transport between Aba and Warri, for instance, would signal a most powerful economic movement. The East and Midwest of Nigeria hold the key to Nigeria's new economic growth, and its strategic linkage to the central west African region.

There is another important point that also ought now to become an issue: where are Nigerian engineers and designers in all these plans? Do Nigerians not have the skills and organization to build their own national infrastructure, especially strategic ones like the national rail system, bridges, federal highways, and national telecommunications infrastructure, areas so central to its national security and its national economy? I find it absurd that even the contract to provide Aso Rock, the seat of Nigeria's federal government, with its telecommunications infrastructure was handled by an "international" organization. Already, we are told, a consortium of banks comprising Zenith Bank, First Bank, Standard Chartered Bank of England, with Julius Berger, are already sourcing about \$1.4 billion as initial financing portfolio for the West-North rail project, while the East-North rail project would be done based on a "resource swap" under which the South-Koreans would provide the long and short-term "low interest" loans to help cover part of the estimated \$10 billion plan, in exchange for oil blocs. But wait a minute, where is the bidding process for this major contract initiative and why did it exclude Nigerian contractors.

Some years ago, Vincent Maduka as president of the Nigerian Society of Engineers made a concerted representation to the federal government to give the contract for the design and building of the Second Niger Bridge to a consortium of Nigerian engineers, to prove their mettle, and their ability to handle such complex building projects. The government did not accede. For far too long Nigerians have watched the Federal Government outsource its major contracts to international contractors to the disadvantage of Nigerians, who have skills, and who ought to be used in national infrastructure development. The major federal contract system seems closed to Nigerians, and today we hardly see the imprimatur of Nigerian architects, engineers or artists on national buildings. Recently, the president announced the plans to build a national monument in Abuja, because "every great city must have a great monument?" The point is that all monuments commemorate the great engineering and creative genius of people. What would the Abuja monument commemorate?

Great Nigerian engineering or great Nigerian sculpture? No, it seems that it would be farmed out again to an "international" contractor, who would have won the contract in a closed bid. It would be a monument to fraud, because indeed the Nigerian contract regime has been based on fraud, and of practices that have consistently cost Nigeria enormously, both in terms of the bloated costs, and in terms of local human and institutional under development. Once again, the rail project signals this dilemma, and Nigerians must demand more transparency from the federal government. It must clean up its act.

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