# Assessing road construction: potential impact of constructing the Kwabenya-Kitase road on the local economy

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#### **Abstract**

Road construction typically confers significant benefits on the population the road serves. A recent rapid growth of urban residential areas in Ghana has necessitated the construction and rehabilitation of the roads linking these urban areas to major commercial towns in the country. The Kwabenya (Abuom) to Kitase area, straddling Ghana's Eastern and Greater Accra regions, is a typical example.

Using both primary and secondary data sources, the research reveals that agricultural production is perceived by several respondents as likely to be improved by the construction of the road. Several major sectors of the economy, such as education, real estate, arts, entertainment and recreation, construction and hospitality are also identified as likely to be improved by a better road network. In spite of these positive impacts, the research identifies certain negative implications of a construction of the Kwabenya-Kitase road. These include dust, noise and the destruction of arable land and a consequent change in the livelihoods of inhabitants, especially within the Agyemanti-Kitase area. It is established that constructing the Kwabenya-Kitase road is likely to boost the local economy, as long as an effective maintenance culture is enforced. However, responses also show a concern that an influx of businesses is likely to diminish arable land for construction and commercial purposes.

**Key words:** Assessment, Road construction, Local economy, Public goods, Free rider **JEL classifications:** N87, N77, O13, O17, 018

#### Introduction

Road construction is a major issue in many regions of the world, especially developing countries (Poku-Boansi, Ekekpe & Bonney, 2010). It is estimated that approximately 900 million people, more than 12% of the world's population, who live in rural areas in developing countries do not have consistent, all season access to reliable main road networks. Of this, 300 million do not have motorised access at all (Lebo & Schelling, 2001).

In recent times, due to a surge in population, opportunities for development have sprung up in the suburban communities in the Greater Accra Region of Ghana (Ghanney, 2000). These opportunities emerge from development in various sectors of the economy, especially housing and real estate (Yeboah, 2003), as individuals settle and businesses seize opportunities to maximise returns. Suburbs like Kasoa, Pokuase, Abokobi, Danfa, Oyibi, among others, have seen developments which have not only resulted in increases in micro and small-scale enterprises (Attom, 2012), but also better provision of electricity, water and most commonly, real estate developments (Awuah, Baffour, Hammond, Lamond & Booth, 2014), which continuously create affordable housing units for the populace.

The Kwabanya (Abuom)-Kitase road stretches a fast-growing area spanning the northeastern outskirts of Accra (the capital of Ghana) and meeting the Eastern region.

Communities within this area include Kwabenya (Abuom and Aboasa), Comet Hills, Berekuso and Kitase.

This area, in spite of its abundant productive land, has in the past seen little significant investment in medium- or large-scale businesses, whether agricultural related or not. The increase in population resulting in the movement to settle in the outskirts of Accra, has significantly increased housing settlements in areas like Kwabenya (Abuom and Aboasa).

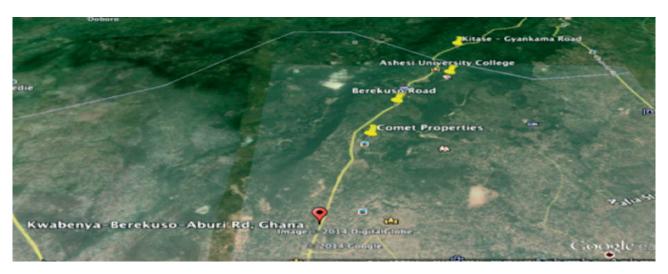


Figure 1: Google map of the Kwabenya (Abuom) to Kitase road (source: Google Earth)

The development of Comet Properties, a privately owned real estate company, and the Agricultural Development Bank (ADB) housing units has resulted in an even greater increase in settlement, as families acquired not just housing units, but also properties for private investment. Due to the relatively peaceful and quiet nature of the area, a large number of seasonal migrants have built large houses, especially within Kwabenya (Aboasa), which they visit occasionally. Property owners leave their property in safekeeping with local residents who take advantage of the opportunity to enjoy free housing. These caretakers also settle, raise families and engage in some other forms of livelihood.

Further, with the relocation of Ashesi University College from its previous Labone campus to its current campus in Berekuso, the Kwabenya-Kitase road is enjoying more traffic than before. Students, faculty, staff and visitors to the campus reach the campus using either the road from the Kwabenya stretch through the Berekuso township, or the Aburi road through the Kitase township.

A good road network from Kwabenya (Abuom) to Kitase in the Eastern region is one important solution to the problem faced by inhabitants and users in accessing jobs, schools and hospitals. Also, and most importantly, many opportunities exist for businesses and individuals for trade and commerce, as well as investments in health, education, transportation, real estate development and hospitality sectors.

In an economic sense, roads are public goods and it is thus the expectation that government provides them. It seems however, that the Ghanaian government is hindered in its provision of many important roads in the country due to problems such as the lack of funds and contractor difficulties, among others. A possible way to overcome this is through private intervention, either by the complete provision of some roads by private market or by

public-private partnerships, although this also introduces the free rider problem.

The problem that remains unresolved is that there has been no investigation into the possible impacts of the construction of the road on the local economy so as to serve as an incentive to the private market. Furthermore, there is very little documentation of the story of the Kwabenya-Kitase road.

This paper first tells the story of the Kwabenya (Abuom)-Kitase road, discussing the problems the current state of the road poses to the local economy. Secondly, it explains the theoretical and practical reasons why the Kwabenya-Kitase road has not been constructed after so long and finally determines, through interactions with relevant stakeholders, how repairing the road can boost the local economy.

#### Literature review

Roads in Ghana generally fall under one of three main categories: trunk roads, urban roads and feeder roads (Government of Ghana, 2014). According to the Ministry of Roads and Highways, the Kwabenya (Abuom)-Kitase road, which is the road this paper examines, is a feeder road. This road links the communities of Kitase, Agyemanti, Berekuso and Comet to Kwabenya in the Greater Accra region and Aburi in the Eastern Region, facilitating the movement of people, goods and services to promote socio-economic development, especially agriculture.

#### Road construction and real estate development

Research by Larbi (2010) analyses the current situation of roads in Accra vis-à-vis real estate development within the city. It primarily sought to find out the measures being put in place to link outskirts of the city and rural areas with better roads. According to the research, the real estate

industry in Ghana has continued to see tremendous growth in recent times, presenting good opportunities to investors (Larbi, 2010). However, it is shown that roads on the outskirts of major cities very often tend to be feeder roads, which are not properly networked. Considering the high cost of housing within the city, increased pollution, among others, resulting from population surges within the city, the middle class of the Ghanaian society tend to opt for houses on the outskirts rather than within the city (Larbi, 2010).

Similarly, Oruonye, in his assessment of the impact of road construction in the case of the Jalingo metropolis in Nigeria (Oruonye, 2014), shows that land use along the major newly constructed roads in the metropolis has undergone a substantial level of change. This has been a change from agricultural farmlands and open fields to residential and commercial uses. This is a similar case with some outskirts of Accra such as Dodowa, Kasoa, Oyibi and Kwabenya where new settlement patterns have emerged as a result of a number of factors including population growth (Yeboah, 2003). According to the study by Oruonye (2014), an influx of people into the metropolis because of the relative quietness of the area attracted more residential and commercial property into the area. Furthermore, with the expansion of the Jalingo metropolis through the expansion of the road network, there was the need to put adequate development control mechanisms in place for maximum effectiveness.

Both studies by Larbi (2010) and Oruonye (2014) indicate that lands that have bad road networks or access are usually left as open spaces or fallow land, which is usually because of their low values. On the other hand, lands that are along newly constructed roads are in high demand and command high value because of their proximity to the road. Most of these lands are used for building commercial shopping stores and office complexes, petroleum filling stations, educational institutions and health institutions (Oruonye, 2014).

#### Road construction and health

Among the disparities between rural outskirts and urban areas is the access to health services and centres (Aderamo & Magaji, 2010). The role of transport in increasing access to health services includes facilitating the movement of individuals to the health facilities, and health workers to outreach activities (Usman & Sulyman, 2013). According to Okoko (2011), this movement is usually on the unsurfaced and poorly maintained feeder roads which link the rural outskirts to other rural outskirts – and even urban areas – for the provision of timely emergency services, and allows improved distribution of drugs and other services to health outposts.

To corroborate this, Usman and Sulyman (2013) in their study on transport and access to rural health centres in llorin, Nigeria, find evidence that households in areas with poor transport facilities have less access to medical services (Usman & Sulyman, 2013). Data analyses from this study show a relationship between access to health centres and road transport in the study area. It is seen that the better the transport facilities available, the less the time required to travel and the greater the access to health services. Furthermore, it is indicated that people living in remote areas have poor access, as they require more time and efforts to travel to obtain health services. Usman and Sulyman (2013) recommend that adequate funds should be allocated to improving roads in the study area, giving priority to the construction of new roads and the reactivation and improvement of existing roads, especially in the rural areas considering that transport plays an important role in providing physical access to health centres.

Poku-Boansi, Ekekpe and Bonney's (2010) study on the role of transportation in combating maternal mortality in the Gushegu district of Ghana, which is not too different from Usman and Sulyman's (2013) research, shows that road infrastructure and transportation system influence the ability of the poor to access health facilities (Grimbergen and Thönissen, 2007 cited in Poku-Boansi, Ekekpe & Bonney, 2010). Their research establishes the relationship between rural transportation and efforts in achieving a reduction in maternal mortality in Ghana (Poku-Boansi, Ekekpe & Bonney, 2010). It ascertains among other things that, the poor state of transport infrastructure has negatively affected the ability of pregnant women to seek healthcare from recognised health institutions. They rely on traditional birth attendants who lack the requisite skills and equipment to deal with complications.

Findings from this research, similar to findings by Usman and Sulyman, establish that the lack of transport and cost of transport are important reasons why people did not use healthcare services, especially services requiring a referral (Poku-Boansi, Ekekpe & Bonney, 2010). Furthermore, problems with transport also affect the ability of staff to deliver health services. Thus, access to quality healthcare is key in reducing the health disparities between people living in urban and rural areas.

Road construction not only improves access to health facilities (Ghana National Commission for UNESCO, 2009), but also opens up land for the establishment of health institutions (Oruonye, 2014).

#### Road construction and commerce

Rural infrastructure, for many years, has been a major development priority (World Bank, 1994 cited in Jacoby,

2000), playing a vital part in rural development. Among the many benefits of road construction in rural areas is the provision of rural infrastructure, offering cost-efficient access to both markets for agricultural output and for modern input. In his 2000 study, Jacoby uses data from Nepal to examine the distributional consequences of rural roads. He gives evidence of the country as one with a largely agrarian economy, a sparse highway network and an extremely difficult terrain. Jacoby (2000) estimates the income gains from road projects using the relationship between farm profits and distance to markets to calculate the income gains from road projects. He again uses the approach of measuring the relationship between household consumption expenditures and the distance to markets to estimate the benefits of rural roads.

The research finds that providing extensive road access to markets would present substantial profits (Jacoby, 2000). The author admits that although rural road construction is not the only approach to alleviating poverty, it certainly has its benefits including cheaper transport to and from agricultural markets and better access to many other facilities and a greater variety of consumer goods (Jacoby, 2000).

Similarly, Oruonye (2014), in his research on the Jalingo metropolis in Nigeria, establishes how a newly constructed road has increased commercial land use in the study area. Commercial land uses in the area include office buildings and shopping complexes of various types and sizes, petrol and service stations, open market places and exhibition centres (Oruonye, 2014). It is important to note that although some of the specific uses were planned for in the metropolis, others grew out of the spontaneous needs of the community in a residential area.

#### Road construction and development in general

Apart from transportation, there seems to be few other types of development that can effect such rapid changes in the economic and social conditions of backward nations (Hailey, 1957 cited in Aderamo & Magaji, 2010). A study by the International Fund for Agricultural Development (IFAD, 2000) suggests that the physical costs of market access can be reduced by road construction, road maintenance, improved transport, storage and information.

Analysis of this research shows that the construction of roads and improvement of existing ones is regarded in some parts of Africa as more important than some other developmental projects. For instance, in 1995 Uganda negotiated for a World Bank loan to construct new roads, rather than construct new primary schools (IFAD, 2000). In Ghana and Cote d'Ivoire, rural roads are ranked higher than educational needs, health and water supplies (IFAD, 2000). Indeed this could be due to roads in these areas

being means to ends like educational institutions, health institutions and other developmental infrastructure.

Evidence of this can be found in Nepal and Bangladesh, where road provision has led to the influx of education services and provided access to healthcare in a wider area. In Egypt, villages enjoy an increase in non-farm employment in post-primary schooling availability when connected to road networks. A district in Pakistan recorded decreases in unemployment when new roads created opportunities for drivers, conductors, mechanics, filling stations, tea stalls near bus stops, shops and other services for travellers.

#### Roads as public goods

It is impossible to review work in this field of study without properly considering what has been said about the case of roads as public goods with positive externalities. Block (1983) in his analyses of roads as public goods with positive externalities argues that any entrepreneur who constructs a road would have to bear all costs (of labour, materials, among others), just as in any other business. However, due to roads being public goods, they will be unable to reap the rewards proportional to the benefits provided (Block, 1983). According to him, there is an existing claim that private road builders – being only partially compensated for all the costs they incurred – underinvest in the construction of roads.

The author states an objection in the argument that a private market in roads would result in underinvestment because private developers will not be able to reap the benefits of their investment associated with increased land values and the low costs of transporting goods. Most economists, according to Block, suggest that an appropriate way to offset the presumed low benefits for private road builders is to increase the property taxes on the increased value of the lands which prior to the road construction are not as valuable.

Block (1983) again, analyses the 'evil' free rider problem. In his opinion, instead of the presumed under-provision of the road by the road builder, the user who benefits without any effort is labelled as a free rider. He suggests that this free rider problem could be addressed when the users paid for the benefit of the road. For instance, in the shipping of consumer goods, the road builder will reap his benefit when there was a price charge for using the road, which is almost equivalent to what free riders save by the development of the road. In this way, all users of the road including the private road builder benefit.

All analyses made by Block (1983) are extremely relevant to this research seeing as there is the question of why the road under the study has not been constructed, and practical ways to ensure a maintenance of the road

once it has been provided.

It is observed that literature predominantly analyses road construction as an activity that only spills off positive benefits. This research, on the other hand, also analyses certain significant negative impacts of a construction of the Kwabenya-Kitase road as perceived by respondents of the research. Recommendations are made concerning the ways in which these negative impacts of road construction can be curtailed.

#### Theoretical framework

The theory of public goods is used by this paper to examine the incentive for private sector involvement in the construction of the road, vis-à-vis the incentive for market participants who do not have the highest valuation for the road to free ride on the investment of the highest value user. A public good is defined as a good that, once produced, can be consumed by an additional consumer at no additional cost (Holcombe, 1997). In other words, a public good is non-rivalrous and non-excludable in consumption (Mankiw, 2009), which means that individuals cannot be effectively excluded from their use and the use by one individual does not reduce the availability of the good to others.

Mathematically, this can be expressed as: Q = QA = QB = QC

Where Q = the total quantity of the public good QA = the quantity consumed by person A

QB = the quantity consumed by person B

QC = the quantity consumed by person C

Unlike in the consumption of a private good where Q = QA + QB + QC so that each consumer exhausts a portion of the good which is then unavailable to other consumers, the situation for public goods is different. Each individual consumes exactly the same amount of the public good, which is also the total amount of the public good.

Public goods are non-rivalrous and non-excludable and have the characteristic of being under-produced or not being produced at all in the private sector. This is due to the free rider problem, which occurs when an investment has a personal cost but a common benefit, as well as firms not taking external benefits into account (Gruber, 2010). The private provision of a public good creates a positive externality, and goods with positive externalities are undersupplied by the market. However, the free rider problem can be combatted when the private sector charges user fees, which are proportional to their valuation of the public good (Gruber, 2010).

There are however some instances when private

provision overcomes the free rider problem. One such instance is when individuals have a high demand for, or interest in a public good. Here private provision for the good may emerge although this does not necessarily mean there will be an optimal provision.

#### Methodology

This is a case study involving the detailed and intensive analysis of the single case (Gerring, 2007) of the Kwabenya (Abuom)-Kitase area and the potential impact of a road construction on the local economy. It employs the mixed method approach, which is a combination of both qualitative and quantitative analysis techniques. Discussing the problems the current state of the road poses to the local economy, explaining the theoretical and practical reasons for which the Kwabenya (Abuom)-Kitase road has not been constructed and determining through interactions with relevant stakeholders how repairing the road could boost the local economy are all done using exploratory methods.

This research uses purposive sampling for interviews with two representatives each from Comet Properties and the Department of Feeder Roads of the Ministry of Roads and Highways in order to obtain reliable, valid and relevant information for the research. The choice of respondents is guided by the judgement of the researcher and there are no particular procedures involved in the actual choice of respondents (Sarantakos, 2005). It also uses purposive, non-probability sampling to administer 100 questionnaires to 50 inhabitants and 50 non-inhabitants of the area. In this population, groups such as taxi drivers, shopkeepers, homeowners, caretakers, students, teachers and visitors to the area are purposively selected.

Due to the heterogeneous nature of the population, the sample population is divided into subgroups. These subgroups are inhabitants of the area, non-inhabitants of the area, and the relevant stakeholders responsible for the provision of the road. This is in order to separate the responses of the subgroups so as to draw comparisons and make inferences from responses.

The research draws heavily on primary data using face-to-face, semi-structured interviews and questionnaires (both closed and open-ended). This encompasses information, which is obtained from questionnaires as well as interviews. This is primarily because little information is available concerning the subject of research with regards to the study area. However, some secondary data is also used in this research, particularly in telling the story of the road. This includes information from publications and the 2003 Budget Statement from the Ministry of Finance and Economic Planning.

The descriptive tools employed include tables, charts and simple percentages. Data analysis in this research is influenced significantly by data analysis methods used in literature. Data obtained from the administered questionnaire are analysed using Microsoft Excel. This is done using descriptive statistical tools. The descriptive tools that were used included graphs, pie charts, tables, and simple percentages (Offiong, Eteng, Atu & Offiong, 2013).

Data from interviews were recorded and analysed using the content analysis technique. Thematic analysis, which involves finding recurrent patterns, was used to analyse the responses of respondents from both interviews and questionnaires (Braun & Clarke, 2006). This was to establish the reasons why the road had not been fixed as well as the opinions on the current state on the roads and its effect on the users and inhabitants of the road.

## Data analysis and discussion of results

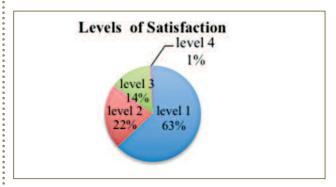
#### Telling the story of the Kwabenya-Kitase road

The road under this study has existed and been in use for many decades. It is a 13.3 kilometre inter-district road, which links the Ga District in the Greater Accra Region to the Akwapim South District in the Eastern Region. The road has for many years served as a detour to commuters travelling from Accra to the Akwapim range and vice versa, who wish to avoid the Adenta to Aburi scarp. In 2003, the Kwabenya-Kitase road was included in the budget for that fiscal year and the construction of the road was awarded on contract. However, in April 2003, the scope of work was reviewed from feeder roads standard to trunk roads standard. This involved the increasing of the width of the road from 8.5 metres to 10 metres, the carriageway, from 6 metres to 7.32 metres and an increase in the thickness of the pavement. The review, at the time, was said to be necessary because the road was one that could serve as an alternative to the Tetteh Quarshie-Madina-Adenta-Aburi-Mamfe road and was the main route to Aburi during the reconstruction of the Tetteh Quarshie-Mamfe road. This review was to result in an additional cost and reduction in the length of the road from 13.3 kilometres to 8 kilometres.

For many years, users of the Kwabenya-Kitase road have been unsatisfied with its state, particularly after its deterioration in 2008. According to them, the state of the road poses a myriad of problems ranging from health and respiratory problems to the constant repairing of their vehicles, among others. Respondents were asked to rate their levels of satisfaction with the current state of the road on a scale of 1-7, with 1 representing they are very strongly

dissatisfied and 7, very strongly satisfied with the state of the road

Figure (i) Levels of satisfaction of respondents



Source: field data

The research also gathered from respondents some problems the road posed to them. According to respondents, the major problems the state of the Kwabenya-Kitase road currently posed to the local economy included:

- dirt and dust from the road resulting in a rapid deterioration of property
- expensive transportation due to the constant repair of both public and private vehicles
- difficulty accessing public services such as health
- high cost of living due to limited access to markets, convenience stores, among others
- certain vital public services such as schools and health centres have not been established in the area due to dread of the road.

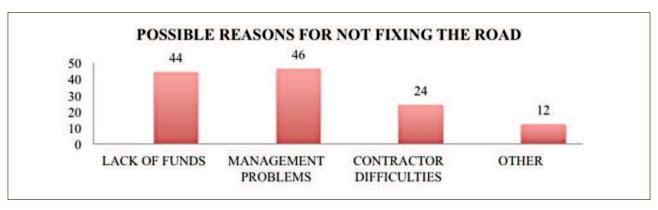
### Practical and theoretical reasons why the road has not been fixed

Data collected identified from respondents the possible practical reasons why the road has not been fixed. Responses from questionnaires revealed that 46 respondents ascribed the state to management problems, 44 respondents ascribed it to the lack of funds while 24 respondents ascribed it to contractor difficulties. Other possible reasons that were given included leadership problems, politics, the discouraging will of the government, among others. Responses were however not mutually exclusive.

These reasons were classified under government-side factors and private market side factors. Government-side factors included the lack of funds, contractor difficulties, politics, the discouraging will of government, leadership and management problems. Private market side factor included the lack of funds, fear of inability to recoup the investment made and management problems.

It has been established that as public goods, the

Figure (ii) Possible reasons why the road has not been fixed



Source: field data

provision of roads is the responsibility of the government. However, for certain reasons, governments in developing countries are unable to adequately provide them. Possible solutions to this problem include the private provision of roads or public-private partnerships to provide them. However, based on the theory of public goods, roads such as the Kwabenya-Kitase road, are undersupplied by the private market. This stems from the fact that private companies find it too costly to exclude non-payers from enjoying the benefits of the road.

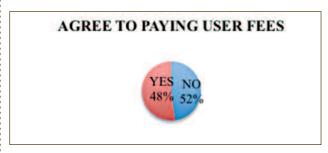
To prevent undersupply and reduce the costs of road construction, private companies have had to find ways of recouping the investment made. This is usually done by charging user fees, also referred to as road tolls for the use of the road. Private companies who wish to provide roads which require payment of tolls must develop cost-efficient, user friendly approaches to finance these roadways to allow for the individual users to pay the cost of the roadway, without unduly burdening them.

An interview with a representative of Comet Properties revealed the primary motivation for undertaking this project was the impact the construction would make on its current real estate construction business in the area as the company planned on expanding its current housing units as well as include other sectors in its operations. Comet Properties however, did not think it was going to underinvest in the road construction project, as it had a lot to gain in the proper construction of the road. This assertion falls contrary to economic opinions that the private market underinvests in its provision of a public good.

#### Analysis of the free rider problem

Respondents were asked whether or not they agreed to pay user fees (tolls) if the private company constructing the road chose to charge user fees for its use.

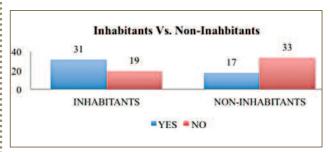
Figure (iii) Paying user fees



Source: field data

A breakdown of the responses showed that more inhabitants agreed than disagreed while more non-inhabitants disagreed than agreed. This implied that inhabitant respondents were more welcoming to the idea of tolls than non-inhabitants, which according to the theory of public goods was likely to occur when individuals had a high demand for, or interest in a public good. This also reinforces the assumption that individuals who did not directly benefit from the provision of a public good will want to free ride.

Figure (iv) Inhabitant vs. non-inhabitant responses to paying user fees



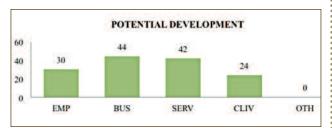
Source: field data

## Construction of the road and a boost of the local economy

As part of the research, respondents' opinions on how a good road will develop the Kwabenya-Kitase area was

collected. Fortyfour respondents believed a construction of the road will create more businesses within the Kwabenya-Kitase area. Some 42 respondents also believed a construction of the road will mean easy access to services such as health, education, among others. Thirty respondents believed more employment opportunities would be created within the area if the road was constructed and 24 respondent believed cost of living will reduce after a construction of the road. These responses were however not mutually exclusive.

Figure (v) Potential developments after road construction



Source: field data

The research also garnered information from respondents on the industry sectors that they perceived as most likely to thrive and contribute significantly to the local economy in the event of a construction of the Kwabenya-Kitase road.

Of the 100 respondents, 53 considered agriculture as well as education as sectors that were likely to thrive and contribute significantly to the local economy. These responses are likely to be due the nature of the area as a highly agrarian one. Fifty respondents thought real estate was a sector that was also likely to thrive and contribute significantly to the local economy. However, industry sectors such finance and insurance, ICT, as well as water supply, sewerage and waste were not highly considered by respondents as likely to thrive and contribute significantly to the local economy.

Responses indicated that sectors that were perceived as likely to thrive and significantly impact the local economy were agriculture, education, real estate and arts and entertainment, which were coded as sectors A, J, I and L respectively. It was interesting however to note that over 60% of responses for agriculture, ICT, finance and insurance, the arts, entertainment and recreation were chosen by non-inhabitant respondents. On the other hand, over 60% of inhabitant responses indicated that manufacturing, wholesale and retail were likely to thrive.

#### Strategies for managing the road

As part of the research, respondents were asked to recommend strategies they believed would aid in sustaining the condition of the road once it was

Figure (vi) Sectors most likely to thrive and contribute significantly (Source: field data)

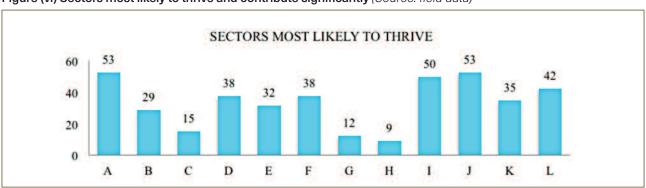
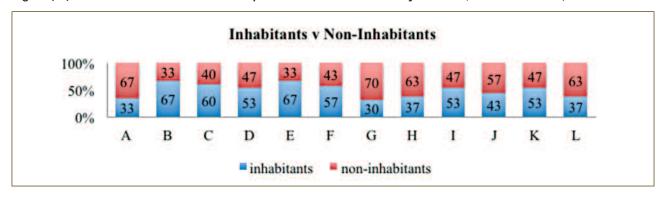


Figure (vii) Inhabitant vs. non-inhabitant responses to sectors most likely to thrive (Source: field data)



constructed. Most respondents recommended that the key to managing the road is first to properly construct it and avoid any shoddy work, as was the case a decade ago when the road was first constructed. Other popular responses included the establishment of a committee to manage the road, the practice of cleanliness and good sanitation by the inhabitants of the road, especially by those along it, bi-annual maintenance works on the road, charges for the maintenance of the road, minimising the use of heavy vehicles on the road and creating a good drainage system along the road.

The study indicated that the construction of the Kwabenya-Kitase road would have great impacts on the lives of inhabitants and non-inhabitants alike, as it would open up limitless opportunities thereby resulting in an overall development of the area. This substantiated the findings of Badejo (2009) that the importance of transportation on the socio-economic and political development cannot be overstressed.

#### **Conclusions and recommendations**

The rationale behind this study was to assess the potential impact of constructing the Kwabenya-Kitase road on the local economy by telling the story of the road, discussing the problems the current state of the road poses to the local economy, explaining the theoretical and practical reasons why the road has not yet been constructed and finally determining through interactions with relevant stakeholders how repairing it can boost the local economy.

From the above results, it can be concluded that constructing the Kwabenya-Kitase road is very likely to boost the local economy in employment, creating businesses, improving accessibility to services and guaranteeing better living conditions. A number of existing studies on the impacts of road construction on local economies have mainly focused on agriculture and increased accessibility as a benefactor of road construction. Findings from this study however also note other sectors as education, real estate, arts, entertainment and recreation, construction and hospitality to be significantly improved by a construction of the Kwabenya-Kitase road.

On the other hand, findings also indicate that although there is a general expectation that the road be improved, some inhabitant respondents are concerned that the influx of major companies into the area will wipe them out of business. Also there is the concern that this influx of businesses is likely to drastically diminish arable land for construction and commercial purposes. This is actually a cause for national concern as in recent times arable lands are being shifted from agricultural use to real estate.

This paper recommends that the road being a public good, local community participation should be increased in its construction. This may include but is not limited to community meetings, to ensure a proper level of planning and the direct participation of inhabitants in constructing the road.

There is the need to set up a culture of maintenance in order to sustain the benefits of the road. This should include the provision of a proper drainage system and control of the movement of heavy vehicles along the road

Finally, before the completion of the road, a town planning authority should be set up in order to put adequate development control mechanisms in place and to regulate the use arable land within the area. This is due to the anticipated increase in demand for residential and commercial land use. This town planning authority will enforce regulations in order to balance the use of land.

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