

## **Policy Levers in Ghana**

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### **Executive Summary**

This paper aims to highlight some of the main policy-making processes in Ghana and identify policy-levers that could contribute to research at CRISE and help implement recommendations arising out of the research. While Ghana has experienced recurrent political upheaval and long periods of economic decline and stagnation since independence in 1957, there have been no large-scale conflicts. This stands in marked contrast to many of the surrounding countries. One of the main aims of the research is therefore to learn from the Ghanaian experience and apply the lessons to other countries in the region. The strength of civic life in Ghana and the political-institutional organisation of the country may be instructive to other West African states. This paper identifies some of the main policy-levers that have contributed to sustaining the peace and resolving smaller-scale conflicts in Ghana.

The paper is divided into six main sections:

1. Introduction
2. Post-Colonial Politics in Ghana
3. State Institutions and Electoral Politics
4. Policy Levers in Civil Society and the Private Sector
5. International Policy Levers
6. Conclusions

The introduction indicates the methodological basis of the paper and sets out the aims of each section. Section two gives a brief outline of some of the main political developments in post-colonial Ghana and links government and chieftaincy institutions into this political history. The first decades of post-colonial politics in Ghana were marked by economic stagnation and decline and recurrent coup-making. The 1980s saw the implementation of IMF/World Bank guided structural adjustment programmes with continued military rule. Democratic elections were conducted in 1993 marking the transition to civilian rule and the inauguration of the fourth republic. There have since been two other multi-party elections and the first change from one civilian government to another following the 2000 elections. The next elections are due to be held in November 2004.

Section three highlights the constitutional basis of the fourth republic and the main institutions underpinning Ghana's nascent democracy. These include the Electoral Commission, the Parliament, government Ministries, Regional and District Assemblies, and Chieftaincy institutions. There is also a substantial sub-section on current party politics, assessing the ethnic and regional dimensions of Ghanaian politics, with tables on the ethno-regional composition of the various administrations since independence. A comparison of different administrations demonstrates the dynamic character of political processes, suggesting that leverage of governmental and non-governmental bodies in politics can change. At the moment decentralisation is not far advanced in Ghana and the regional and district assemblies have limited impact. The government currently implements policies at the local level either directly through the ministries or through district assemblies. Some district assemblies may be useful policy levers, and are important to consider as such, but generally ministries are more important in distributing state resources and services. There is, however, a Local Government Services Bill that if passed could increase the power of the assemblies, so it is worth following interactions between district/regional assemblies and ministries.

The paper also indicates the significance of chieftaincy conflicts in contemporary Ghana, particularly the recent Dagbon crisis, which has national implications. Disputes frequently arise as chiefly positions are contested, but generally they remain relatively small scale and are settled either within the traditional councils or by the Regional or National Houses of Chiefs. Customary law is integrated into the framework of Ghanaian civil law but if disputes are not resolved through the 'traditional' system they are taken to the Supreme Court. Although they are supposed to stay out of mainstream politics, chiefly patronage remains important for politicians in their efforts to generate local support. The chieftaincy system therefore links into Ghanaian politics in various ways and is important in both generating and resolving conflicts in contemporary Ghana.

The fourth section addresses policy levers in 'civil society' and the private sector. Since the inauguration of the fourth republic there has been a burgeoning of civil society organisations, especially NGOs and research institutes, often dependent on donor funds. CRISE would benefit from contact with Ghanaian NGOs and research institutes, as they may be able to provide information and insights not readily available elsewhere. This paper discusses the work of some of the main NGOs and think-tanks in Ghana. Although it is not exhausted it includes important policy-levers which are likely to have links to other organisations outside government with a possible interest in CRISE.

The policy leverage of NGOs and/or research organisations comes in different forms. It can be through the impact of their research and advocacy, which if effective acts either as a constraint on government policy or helps to broaden political discourse. Think tanks probably have the most direct impact on government policies and their members often have strong personal links with government. Moreover, through their social work and development programmes NGOs are policy actors in their own right. The impact of international NGOs is particularly important in this respect – their development programmes have important social and political implications. INGOs have some policy leverage in the sense of being able to influence policy (particularly by lobbying northern governments and IFIs) and they also have a significant impact on the communities they work in. INGOs influence the agenda of many 'local' NGOs for which they may also be a source of funding.

Religious organisations are considered as policy levers mainly on account of their important role in mediating in conflicts. Religion is the strongest form of associational

life in Ghana with important social implications as well as explicitly social functions. The principal religious establishments have poverty-reduction programmes and mediate in conflicts even if their constituents are not directly involved. Pentecostal or 'charismatic' churches, which have a very large religious following in Ghana, are not likely policy levers. They are numerous but most of the churches operate individually and are usually opposed to the established Christian denominations. In contrast the established Christian and Muslim organisations discussed in the paper often have direct interaction with government and frequently work alongside NGOs or UN agencies.

Private sector activities are best influenced through the regulatory bodies, in particular those that oversee the cocoa and mining industries in Ghana, which are the two largest sectors in the Ghanaian economy. There is substantial private investment in the cocoa industry, but the government agency COCOBOD has overall control and is responsible for enforcing the regulatory framework. Ashanti Goldfields and a few other large multinationals dominate the mining sector. Mining is now very liberalised and although the government still has some regulatory powers they are not effectively used. The environmental impacts of mining and its effects on the livelihoods of the rural poor have been of concern to several Ghanaian NGOs.

Section five assesses the influence of international agencies, principally the IMF and World Bank, on politics and economic policy making in Ghana. The capacity of government is limited by its peripheral position in the international political and economic system and its low fiscal base. Ghana has high aid dependency, which means international donors and financial institutions have a strong influence on policies. Donors and IFIs therefore constitute crucial policy levers for CRISE. However, the impact of the IMF/World Bank is limited by the 'slippage' that occurs between agreed policies (lending conditionalities) and actual policy implementation. Slippage can occur due to popular or political resistance to proposed policies or as a result of administrative incapacities. Attempts by the IFIs and bilateral donors to improve governance are mainly efforts to reduce 'slippage'.

The 'good governance' agenda has become a central component of donor / IFI policy and has also been taken up by many NGOs and research organisations (the Centre for Democracy and Development being a prominent example). The research at CRISE is likely to point towards specific policy recommendations that may need to be added to governance programmes. Research into the effects of existing forms of governance on horizontal inequalities and the impacts of donor and IFI policies may inform efforts to promote good governance. To be implemented, the research findings from CRISE would need to be incorporated into governance initiatives by donors / IFIs and by organisations working in conflict prevention / resolution and towards democratic consolidation, as well as by ministries of the Ghana government itself.

Overall there is a wide array of possible policy-levers in Ghana which could aid research at CRISE, use research findings in their own work, and help to disseminate research through the media or their own advocacy. The relevant ministries and arms of government that could utilise the research findings of CRISE are identified in the paper. The likelihood of their adopting policy recommendations depends on pressure from other policy actors such as donors, the IMF and World Bank, think-tanks and NGOs, but most of all, on political expediency and administrative capacities.

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## 1. Introduction

The aim of this paper is to identify the main policy-levers in Ghana so they can use and contribute to CRISE research and implement the policy recommendations made at the end of the project. The paper was researched during a two-week visit to Accra in September 2003, where I received great assistance from Prof. Wayo Seini and Dr. Dzodzie Tsikata, of the Institute for Statistical, Social and Economic Research (ISSER) at Legon, University of Ghana. They facilitated the interviews and discussions I had with scholars and policy-makers in Accra and subsequently gave excellent feedback on the paper. I am also indebted to Ms. Ama Asantewah Ahene for her research assistance in Accra.<sup>1</sup>

The organisations and institutions identified as potential policy-levers do not constitute a definitive list. In practice policy-leverage is likely to be best served by following a problem-orientated approach – i.e. as research findings materialise the organisations best placed to integrate the research into policy and / or adapt their own practices should be consulted. Due to the scope of research at CRISE – covering economic, political, social and cultural issues – the potential number of policy levers is very large. The research is most likely to have an impact if government and international organisations can be influenced. NGOs, religious organisations, the media and private sector bodies are also important. The networks that exist within ‘civil society’ increase the influence of smaller organisations. But the political colours and strategies of organisations differ so reactions to the research findings of CRISE will inevitably vary.

The paper is divided into five further sections. The next section provides an historical framework, outlining some of the key moments in Ghana’s post-independence history. The historical outline is brief and schematic, but nonetheless it helps to locate some of the likely sources of change and gives context to the social and political environment in which ‘civil society’ operates.

**Section three** of the paper is more substantial and outlines the main political structures in Ghana. These are wide-ranging in variety and scope: the Constitution, the main political parties, the Electoral Commission, the ministries, local government, and chieftaincy institutions are all considered part of the political composition of Ghana and as potential policy levers. **Section four** identifies some of the principal non-governmental policy levers in Ghana. These include religious organisations (encompassing a broad array of concerns and orientations), the private sector, trade unions, NGOs, think-tanks, and the media (radio, newspapers, television). **Section five** looks at the role and influence of the main international institutions / organisations in Ghana, focusing mainly on the World Bank and International Monetary Fund. **Section six** concludes, highlighting interactions between organisations identified in the preceding sections as ‘policy levers’.

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<sup>1</sup> In Oxford thanks to Frances Stewart and Gavin Williams for their comments on the paper – any shortcomings or errors that remain are mine.

## 2. Post –Colonial Politics in Ghana

Ghana has experienced considerable economic and political volatility since independence in 1957, but unlike many other West African states, there has not been large-scale conflict. Since 1992 there has been an uninterrupted period of democratically elected governments and three consecutive multiparty elections - the longest stretch of constitutional rule in post-colonial Ghana. This contrasts sharply with earlier decades following independence when the country's institutions were frequently undermined by army coups. The coup-making often occurred at times of economic crisis when there was popular dissatisfaction with government.

The current political landscape in Ghana and the juridical framework set out in the fourth constitution need to be situated both in Ghana's post-independence history and its colonial inheritance. The centralised nature of governance has colonial origins but was sustained by the rejection of federalism in the first constitution in 1957 and by the concentration of power in the presidential executive in the republican system established by Kwame Nkrumah in 1960. Whilst a programme of decentralisation was started in the 1980s, the decentralised bodies have not yet achieved the necessary support or autonomy to be effective.<sup>2</sup> Indeed, it could be argued that they have been more instrumental in extending state power to the regions than in enhancing local control and raising governing capacities at the local level.

In Ghana's post-colonial history governments have more frequently been removed through army coups than through the ballot box. The transfer of power after the 2000 elections from the National Democratic Congress (NDC) to the National Patriotic Party (NPP) was the first constitutional change of government from one elected party to another. The multiparty system, however, has produced uneven results in terms of the representativeness of government in relation to different regions and ethnic groups (see tables 1-4 below). This may partly be explained by the 'winner takes all' election system.

Ethnic and related regional divisions have remained a crucial aspect of electoral politics in Ghana, although since Nkrumah the formation of parties along ethnic or religious lines has been banned under the constitution. Nkrumah recognised ethnically-based parties as a threat to the nationalist politics advocated by his Convention People's Party (CPP), and also a threat to the CPP itself. This was a major reason for passing the 'Avoidance of Discrimination Act', which banned the formation of parties along ethnic lines. Under the nationalist banner the CPP thus outlawed the main opposition party - the National Liberation Movement (NLM) - whose support depended primarily on rallying Ashanti and Akan identities (Dzorgbo, 2001). The NLM re-formed as the United Party – a coalition with other, regionally-based parties [such as the NPP, TC, Ga Shifimo Kpee] - but was much weakened. National unity may have increased under the CPP, but at the same time formal opposition was suppressed and the nationalist project became equated with one-party rule.

The Industrial Conciliation Act of 1957 outlawed labour action as part of the CPP's attempt to stifle the emergence of an organised 'left' (Rathbone, 1978). From 1959 onwards, economic decline meant most wage earners experienced declining standards of living. Increased CPP controls over labour led to a strike by the Sekondi-Takoradi railway and harbour workers in 1961 in protest, amongst other things, against the CPP's growing centralisation of union control in Accra and the

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<sup>2</sup> See section 3(v) (below) on local government for more details on decentralisation in Ghana.

introduction of a compulsory savings scheme. There were also grievances (which continue) amongst the Ga, the autochthonous population in Accra, represented by the Ga Steadfast Association (or Ga Shifimo Kpee). In 1961 there was rioting against their perceived exclusion from jobs in the capital.

In 1966 Nkrumah was removed from power in an army coup, supported by Western states, leading to the suspension of the constitution by the National Liberation Council, a military regime headed by E. Kotoka and A. Afrifa, which ruled Ghana from 1966-1969. But despite the various sources of discontent – including economic decline - leading to growing dissatisfaction with the CPP, few of the writings on Ghana prior to 1966 mentioned the possibility of a coup – military intervention did not seem like an obvious outcome at the time (Rathbone, 1978). The foremost reasons for the coup were the CPP's inability to control the declining economic situation, its loss of popular support, and the military's desire to assert its power.

Civilian government was restored from 1969-1972 following multiparty elections which brought K.A. Busia, leading the Progressive Party, to power. But the military took power again from 1972-1979 under Generals Acheampong and Akuffo. The rise in world cocoa prices in the early years of Acheampong's rule, 1972-74, generated economic improvements, but from around 1975 Ghana experienced what Jeffries (1989:77) terms 'a self reinforcing downward spiral of political decay and economic deterioration.' By 1978 purchasing power had fallen to a quarter or less of what it was in 1972. The subaltern coup, led by Flight Lieutenant Jerry Rawlings, took place in 1979, overthrowing the Supreme Military Council (SMC) of General Akuffo. This was a violent coup, resulting in the execution of Akuffo, Acheampong and other senior officers and politicians. The Armed Forces Revolutionary Council was in office for only three months, allowing previously set general elections to take place. The elections ushered in the third republic in July 1979, with Dr. Hilla Limann, leader of the People's National Party, as President, but constitutional rule ended again at the end of 1981 with the second Rawlings coup, which installed a military regime - the Provisional National Defence Council (PNDC).

The PNDC was in power for a decade and took Ghana into a programme of market-orientated structural adjustment, starting in 1983. The IMF and World Bank shaped much of the reform process (see section 4 below) in what was termed the Economic Recovery Programme (ERP). By the end of the 1980s macro-economic indicators had substantially improved and the economy was on a sounder footing, but the reforms increased inequalities and led to a decline in social welfare for much of the population. Visiting Accra in 2003 it was commonly stated that far-reaching reforms had been needed, but there was widespread criticism of the form of adjustment that took place. Many structural problems remain unresolved, especially the over-reliance on a narrow commodity export base, which sustains Ghana's vulnerability to the vagaries of global markets.

Political liberalisation and a return to constitutional rule came in 1993. Rawlings was elected President of the fourth republic, leading a new party - the National Democratic Congress (NDC) - which had replaced the PNDC. There have since been two other multiparty elections - in 1996, which was won again by Rawlings; and in 2000, when the National Patriotic Party (NPP) was elected to power, led by the current President, John Agyekum Kufuor. The next Presidential and Parliamentary elections are due in December 2004.

### 3. State Institutions and Electoral Politics

#### The Constitution

The current Constitution of the Republic of Ghana<sup>3</sup> was drawn up through public discussions in a Consultative Assembly and adopted in 1992 after a draft was approved in a national referendum.<sup>4</sup> The present constitution is the fourth since independence and formed the legal basis for the restoration of multiparty constitutional rule after a decade of military rule. Perceptions amongst those interviewed for this paper were that the constitution is a sound, balanced document: political grievances were not blamed on the constitution but on government practices or the impact of structural adjustment. However, as one informant stated, the content of the constitution should be evaluated in the context of its consistency with actual practices and outcomes.

The constitution sets out the institutional framework for the fourth republic and provides legal directives on processes of governance. Legislative power is invested in the Parliament, whilst policy-making and implementation are the responsibility of the ministries. In the fourth republic Parliament has sought a larger role and greater independence in the policy process, but in practice its capacities have been limited; in particular, its monitoring and oversight functions are not strong.

The constitution also defines government control over the military, and determines the structure of the ministry of defence and the armed forces. Reforms to the military and the security services have been an important part of the process of political and institutional reconstruction in the fourth republic. Changes have also taken place in the practices of government vis-à-vis the armed forces. A priority has been to put an end to the debilitating cycle of military coups – this has necessitated the adoption of a new intelligence structure (Hutchful, 2002). The NPP has been particularly active in security reforms, consolidating government control over the military and security services by removing elements installed by Rawlings that helped sustain the coup d'état regime. According to Hutchful (2002:214), political control over the military and changes to the structure of the armed forces and security sector have not yet been fully institutionalised. The relationship between the military and the state therefore remains a key issue.

All four constitutions of independent Ghana – 1960, 1969, 1979 and 1992 – have included provisions to curb ethno-regional politics, in particular by prohibiting the formation of political parties based on ethnicity, region or religion. In the fourth constitution, the 'Directive Principles of State Policy' require the government to 'take appropriate measures to...foster a spirit of loyalty to Ghana that overrides sectional, ethnic and other loyalties; [and] achieve reasonable regional and gender balance in recruitment and appointment to public offices'.<sup>5</sup> There appears to be some affirmative action to achieve ethnically - and especially regionally – representative government. However, there may be a difficult balance to achieve between, on the one hand, ethnic inclusiveness through affirmative action as a means to a more representative politics; and on the other, the demise of ethnic politics and the subordination of ethnic interests to national interests.

<sup>3</sup> Ghana's constitution can be viewed online at: <http://www.ghanareview.com/Gconst.html>

<sup>4</sup> the referendum on the fourth constitution was conducted by the Interim Party Electoral Commission, the predecessor of the Electoral Commission.

<sup>5</sup> Chapter Six - The Directive Principles of State Policy (article 35, clause 6), *Constitution of the Republic of Ghana*, 1992. An interesting point of comparison may be between the Ghanaian and Nigerian constitutions - the Directive Principles of State Policy are very similar in the two constitutions.

The need for affirmative action to achieve ethnic balance in government seemed to be agreed by most interviewees, but there were doubts as to whether in practice this would lead to a more even distribution of resources between regions and ethnicities. The fact that there are a greater number of representatives in government does not necessarily lead to a significantly greater political influence for their ethnic or regional voters. One informant argued that affirmative action to achieve 'ethnic balance' increased divisions - as oppose to a discourse on class which in principle overrides 'ethnic' relations. The same commentator claimed that in the Nkrumah years (1957-1966), class analysis moderated ethnicity, and that it is only since 1966 that ethnic tensions have become more prominent. But the pre-adjustment period (up to 1983) of PNDC rule also promoted class politics, and has been described as 'the highest point reached in overt class conflict in post-colonial Ghana' (UNRISD, 2003: 26). In both cases it is questionable whether class politics did indeed negate the importance of ethnicity, for as is argued in relation to the Rawlings regime:

'The deliberate attempt to project class cleavages in order to eliminate the ethnic factor, or at least, relegate it to the background in national politics, only puts a temporary lid on ethnicity and ethnic conflict. The strategy of playing one section of the society against the other in the form of classes was successful largely because of the absence of freedom of association and press to expose the contradictions in Rawlings' politics'. (UNRISD, 2003: 27).

Moreover, ethnic politics may have functioned alongside class politics under Rawlings, thus was not suppressed at all. In any case, ethnicity has been politically prominent in the fourth republic. Voting patterns since the return to constitutional rule - the 1992, 1996 and 2000 elections (the latter of which brought the NPP to power) - all showed some degree of mobilisation along ethnic and regional lines.

Whilst there appears to be agreement for the need for ethnic and regional balance in government, the **gender issues** are more contested. There have been calls for affirmative action to raise the participation of women in politics and to increase girls' school enrolment. Gender inequalities are prevalent throughout Ghana, particularly acute in literacy rates which are far lower among women than men. The gender dimension of other poverty indicators and socio-economic inequalities is more difficult to ascertain because the available statistics are not gender disaggregated.<sup>6</sup>

### **The Electoral Commission**

Established in the fourth constitution, the Electoral Commission is responsible for ensuring that parties conform to the requirements of the Constitution.<sup>7</sup> It consists of seven Commissioners and has a regulatory and advisory role on issues that pertain both to political parties and elections. It organises elections and takes charge of registering political parties prior to elections. As well as regulating practices at the state level it also has oversight over practices at the regional, district and constituency levels – in particular, ensuring the non-partisan operation of the District Assemblies (see below).<sup>8</sup>

<sup>6</sup> For more on gender inequalities and the interaction between gender, spatial inequalities and class see Tsikata, D. and Seini, W. *Identities, Inequalities and Conflicts in Ghana*. CRISE working paper, Legon and Oxford, 2004.

<sup>7</sup> The Electoral Commission came into being in July 1993, after the first elections in the fourth republic, replacing the provisional Interim Party Electoral Commission. For further information on the Electoral Commission see the website at [www.eca.gov.gh](http://www.eca.gov.gh).

<sup>8</sup> Specifically, this involves ensuring political parties do not sponsor candidates up for election to the District Assemblies.



One of the principal means by which the Electoral Commission carries out its work is through the *Inter-Party Advisory Committee*. This brings together representatives from each of the political parties with the Electoral Commission on a monthly basis and is the main avenue for dialogue between the parties and the Commission. The Electoral Commission is not bound to follow the recommendations of the Committee, which is a non-statutory mechanism, but in practice there is a strong impetus to do so.

### **Political Parties**

The return to constitutional rule at the end of 1992 was the result of PNDC response to growing popular opposition to military rule and international pressure for change. The opposition developed through the 1980s, and in 1990 coalesced around a common platform called the Movement for Freedom and Justice (MFJ). This fused 'several distinct groups and political agendas' into a broad-based pro-democracy movement (Hutchful, 2002: 197). Some groups, such as church organisations, had been strongly opposed to the PNDC from the start. The left and 'progressive organisations' such as the New Democratic Movement had initially supported the PNDC but became disillusioned with its economic policies. The same goes for 'functional groups', in particular trade unions and student organisations, which opposed the government having been adversely affected by structural adjustment. The MFJ was to some extent a regrouping of the opposition that had opposed the Acheampong regime but had fragmented after the PNDC came to power (Hutchful, 2002: 198). Hutchful (2002) also argues there was an ethnic dimension to the MFJ, stating that the Ashanti at its core perceived the PNDC and the security organs to be dominated by Ewes.<sup>9</sup> The role of ethnicity in transition politics, however, should not be overstated. Grievances were overwhelmingly expressed in terms of a lack of political freedom and the need for constitutional government, not in the language of ethnic disenfranchisement. It was a predominantly peaceful transition to democratic rule; compared to other states in the region the Ghanaian experience is all the more remarkable.

Rawlings won the first presidential elections of the fourth republic in 1992 as leader of a new party, the National Democratic Congress (NDC). The political continuity was aided by the NPP's boycott of the parliamentary elections, which gave the NDC complete parliamentary dominance in the first term of constitutional rule. As well as the continuity in leadership, the NDC were initially able to maintain much of the management style from before the transition. However, the challenge of competitive politics, a critical press, and some effective protest against adjustment created changes in the functioning of the party.<sup>10</sup> It widened its support base to win the 1996 elections, but at the same time internal conflict increased and there was a deepening of ethnic, regional and factional divisions in the party. There was also a re-emergence of corruption and predatory behaviour among the political elite, and the focus on adjustment was weakened by concern to maintain power (Hutchful, 2002).

In 2000 the NPP came to power stating that it would re-orientate adjustment strategy. In particular, it has sought a closer partnership with the private sector, which it claims was neglected by the NDC, and proposed a public fund – the Ghana Investment Fund – to increase long-term capital for industrial enterprise. Security and civil-

<sup>9</sup> See table 3 for an overview of the ethnic composition of post-independence administrations in Ghana. For a detailed analysis of ethnic structure, inequality and governance in the public sector in Ghana refer to UNRISD (2003).

<sup>10</sup> For instance, the NDC was defeated over a proposed 17 % VAT in 1995 and over the issue of utility rates in 1997 (Hutchful, 2002: 220)

military relations also continue to be an important concern. When the NPP was elected the military was perceived to be still loyal to Rawlings. The NPP has been active in military reforms, replacing the heads of all the security services and many leading officers in the armed forces. Security more generally is also a problem: low-level violence, involving small arms and cutlasses, has increased in both rural and urban areas throughout Ghana.<sup>11</sup>

There continues to be a high level of social marginalisation in Ghana, especially amongst the youth, in general with women being more adversely affected. There are also significant regional disparities, with poverty most acute in rural areas and the three northern states (the Northern Region, Upper West and Upper East) being much poorer than the South.<sup>12</sup> It will be important for CRISE to explore how grievances are articulated, and specifically if ethnicity is an important reference point. It is necessary to understand the operation and impact of the patronage system – which is distinct from political corruption *per se*. More specifically, is ethnic identity an important aspect of political patronage in Ghana? A recent study by UNRISD (2003) indicates ‘deep-rooted Ewe-Ashanti exceptionalism in voting’, but concludes: ‘the trajectory of electoral politics in Ghana... shows that, even though ethnicity is important it is nevertheless not the sole variable that determines the outcome of elections in Ghana. The conscious effort on the part of political parties to use ethnic mix at the presidential level has contributed largely to the diffusion of ethnic imbalance in the voting pattern during Presidential elections’ (UNRISD, 2003: 46).

Nonetheless, currently the NPP tend to be associated with the Akan (especially the Ashanti) and have the Ashanti region as their electoral stronghold; the NDC are closely connected to the Volta region, where they are very dominant in elections, and, due to the Rawlings legacy, are often associated with the Ewe.<sup>13</sup> But to win elections broad support is necessary and needs to be built up through means other than ethnic patronage. The swing in the 2000 election in the Brong-Ahafo Region and the Eastern Region (see table 4) from the NDC to the NPP indicates that outside of the ‘core’ regions of the NPP and NDC (the Ashanti and Volta regions respectively) party allegiances are much more flexible and not likely to be determined by ethnicity. To some extent these trends are indicated by the tables below, which show the pan-ethnic composition of governments since independence and the regional performance of the NDC and NPP in the 1996 and 2000 elections.

A comparison of tables 1 and 3 gives some notion of how the ethnic composition of government relates to the ethnic make-up of society as a whole.<sup>14</sup> It shows the Akan have tended to be slightly over-represented, and significantly over-represented in the Busia administrations and the current Kufuor administration. Contrary to many reports at the time, the Ewe appear to have been slightly under-represented in the Rawlings administrations, although the tables do not show the positions held by

<sup>11</sup> Interviews at ASDR, Accra, September 2003; see also Hutchful (2003: 97).

<sup>12</sup> It is significant that in the media and amongst government officials and policy-makers ‘the North’ tends to be referred to as a homogenous region. Similarly, ‘northerners’ refers to people from the Northern Region, Upper West or Upper East, without much differentiation between people or ethnic groups from these separate administrative regions.

<sup>13</sup> Rawlings was born to a Scottish father and Ghanaian mother – his mother is Ewe.

<sup>14</sup> The categorisation of ethnic identities in this way clearly has to be treated with great caution as it neglects the situational and dynamic character of ethnicity. Furthermore, the tables do not show how relevant ethnic identity was perceived to be in various administrations and therefore its importance as a factor with political or policy implications. The categories and the numerical data indicate general patterns in the perceived or ascribed ethnic composition of post-independence administrations but do not have explanatory force *per se*.

those who were there. Clearly it is not simply a matter of overall representation, but of who occupies the 'commanding heights' of political and military structures.

**Table 1: Pan-Ethnic Composition of Ghanaian society (UNRISD, 2003)**

Ethnic / Pan-ethnic group	Population	Percentage of total population
Akan	8,562,748	49.1
Mole Dagbani	2,883,931	16.5
Ewe	2,212,113	12.7
Ga Adangbe	1,387,217	8
Guan	758,779	4.4
Gurma	678,681	3.9
Grusi	490,379	2.8
Mande-Busanga	193,443	1.1
"other" groups	269,302	1.5

**Table 2: Distribution of Ethnic Groups Across Ghana's 10 Administrative Regions (by percentage) (Source: UNRISD, 2003)**

	Wstn	Cntrl	Gt.Acc	Volta	Estn.	Ashanti	Br.Ah	Nrthn	U.E.	U.W.
Akan	16.2	14.1	12.4	1.5	12.0	28.7	12.4	2.0	0.2	0.2
Ga – Adangbe	4.5	2.4	57.3	2.2	27.0	3.1	2.4	0.6	0.2	0.2
Ewe	4.7	3.2	21.7	47.3	14.3	4.5	2.6	1.5	0.09	0.06
Guan	3.4	11.8	10.2	18.6	18.9	7.1	8.7	19.8	0.8	0.6
Gurma	1.7	0.8	3.1	14.5	18.3	7.0	10.9	55.8	3.95	0.17
Mole Dagbani	4.69	0.8	4.7	0.72	2.1	9.8	9.1	31.5	22.0	14.4
Grusi	4.9	2.9	11.0	2.1	4.2	15.2	14.4	9.9	14.7	20.5
Mande Busanga	7.2	3.0	10.6	1.4	3.1	29.1	13.1	4.3	27.2	0.7

Table 3 shows about a quarter of politicians in the Rawlings administrations were from the North, but of the 27 ministers appointed to Kufuor's cabinet when the NPP was elected in 2000, only 2 (or 7.4 percent) were northerners. Table 4 shows the NDC massively out-performed the NPP in the three northern most regions (Northern, Upper East and Upper West) and the Volta region in the 1996 and 2000 elections. The NPP dominated in the Ashanti region in 1996 and 2000, and out-performed the NDC in most other southern states in the 2000 elections. Differences in the ethnic and regional make-up of NDC and NPP administrations correspond quite closely with the relative performance of the two parties in different regions. The NDC does better in the north and also had more northern ministers, while a feature of the NPP administration is the low proportion of northerners and the over-representation of Akan, which fits with the NPP's poor electoral performance in the north and their popularity in the Ashanti region.

**Table 3: Ethnic / Regional Composition of Ghanaian Administrations since Independence (total number, with percentage in brackets). (Source: UNRISD, 2003).**

Administration	Akan	Ewe	Ga-Adangbe	North	Total
Nkrumah-CPP (1957)	8 (61.5)	1 (7.6)	2 (15.3)	2 (15.3)	13 (100)
Nkrumah-CPP (1960)	8 (61.5)	3 (23)	2 (15.3)	0 (0)	13 (100)
Nkrumah-CPP (1965)	9 (64.2)	1 (7)	2 (14)	2 (14)	14 (100)
Busia-PP (1969)	15 (78.9)	0 (0)	1 (45.2)	3 (15.7)	19 (100)
Busia-PP (1971)	13 (76.4)	0 (0)	1	3 (17.6)	17 (100)
Limmann-PNP (1979)	8 (57)	2 (14)	2 (14)	2 (14)	14 (100)
Rawlings-NDC (1993)	15 (55.5)	3 (11)	2 (7.4)	7 (25.9)	27 (100)
Rawlings-NDC (1996)	12 (52)	2 (8.6)	3 (13)	6 (26)	23 (100)
Kufuor-NPP (2000)	20 (74)	2 (7.4)	4 (14)	2 (7.4)	27 (100)

**Table 4: Regional Performance (by number of seats won) of the two major political parties in Ghana's 1996 and 2000 Parliamentary elections.**

	National Democratic Party (NDC)		National Patriotic Party (NPP)	
Region	Election Date			
	1996	2000	1996	2000
Western	12	10	3	8
Central	14	9	3	8
Greater Accra	13	6	9	16
Volta	19	17	0	0
Eastern	15	8	11	18
Ashanti	5	2	28	31
Brong Ahafo	17	7	4	14
Northern	18	18	3	3
Upper West	8	7	0	0
Upper East	12	8	0	2
Total	133	92	61	100

(UNRISD, 2003. Original Source: Electoral Commission, Ghana).

### Ministries

Ghana has over twenty Ministries of varying size and influence to cover the main social and economic sectors in the country. The Ministries are managed centrally, but many also have regional offices. In such cases they are supposed to work with (or through) the district assemblies (DAs) (see section v. below), but in reality it seems that the DAs are often bypassed. Therefore, where CRISE research might be relevant in specific regions of the country - for example, where ethnic tensions arise

through chieftaincy disputes - ministerial presence in the regions may be as important as the DAs themselves.

Ministries have policy leverage because they are responsible for allocating and delivering state resources and services. Development programmes in Ghana, whether instigated from within or externally, are mostly directed through ministerial channels. Their allocation of resources is therefore important, both in terms of the types of projects that are supported and the regional focus of development. It should be recognised, however, that many of the ministries are stretched in their capacities, both financially and in human resources. Hence, the possibility of ministries adopting any CRISE policy recommendations will depend on ministerial capacity, as well as political expediency. Moreover, the prospect of the research having an impact on ministries might be greater through policy-levers separate from the ministries themselves - e.g. donors, think-tanks or the media.

It is difficult to pin-point the most relevant ministries for the purposes of the CRISE research. However, the Ministry of Local Government and Rural Development is likely to be one important policy lever. It has both a social and economic role because it oversees the district assemblies and allocates resources from the District Assemblies Common Fund. More broadly, in economic and financial affairs, the relevant ministries are likely to be the Ministry of Finance and the Ministry of Economic Planning and Regional Co-operation. The National Development Planning Commission (NDPC) has a more long-term focus on development and has apparently become more influential. It is supposed to be complementary to the Finance Ministry but they have apparently had difficult working relations and have not coordinated their functions effectively (Hutchful, 2002:228).

The Ministry of Agriculture and Rural Development and the Ministry of Trade and Industry cover sectoral issues. However, their roles also overlap with other ministries – ‘rural development’ is obviously a concern of the Ministry of Local Government and Rural Development as well. Some industrial concerns are covered by other ministries – for instance the mining sector is dealt with separately by the Ministry of Mines. The Ministry of Education and the Ministry of Health are likely to be important, but their policies and effectiveness also depends on relaxing externally imposed constraints. With respect to the legal issues, which often arise during ethnic disputes, principally over chieftaincy, the Ministry of Justice and Office of the Attorney General are relevant. A key consideration here is the interaction between the National House of Chiefs and the Attorney General’s Office in resolving ethnic conflict - that is, between ‘traditional’ modes of dispute resolution and state procedures and law.

Finally, the influence of bilateral donors and International Financial Institutions (IFIs) on the functioning and financial health of the Ministries should not be underestimated. Aid is often distributed in the form of direct budgetary support, allocated on a sectoral basis through the relevant ministry. There is a high level of aid dependence, so the policy leverage of ministries is also set within the constraints of aid conditionalities.

### **Local Government**

The current system of local government in Ghana is based on a decentralisation programme that began in 1988 with the introduction of District Assemblies (DAs) by the PNDC government. However, current processes of decentralisation of government can be traced back to the colonial period, when the British managed local affairs through municipalities administered by chiefs and ‘native authorities’. After independence the Local Government Act of 1961 maintained a distinction

between central and local government, but power remained firmly located at the centre.

DAs are incorporated into the fourth constitution under the Local Government Act of 1993, which provides for the decentralisation of 22 central departments and ministries to sub-national levels. There are currently 103 DAs in Ghana, as well as 3 Metropolitan Assemblies and 4 Municipal Assemblies. These cover the country and are supposed to be responsible for the equitable distribution of resources to the towns and areas under them and for ensuring the day-to-day functioning of government policies and development programmes. The Assemblies are overseen by Regional Co-ordinating Councils (RCCs), of which there are ten. In turn the DAs are further divided into Urban, Town and Area Councils, and then into Unit Committees.<sup>15</sup>

The funding for the DAs comes principally out of the **District Assemblies Common Fund** (DACF), administered by the Ministry of Local Government and Rural Development in Accra, with finances determined by the Ministry of Finance. The finances from DACF are allocated to the assemblies according to a pre-determined formula that takes into account such factors as service pressure and relative deprivation, and the ability to generate local revenue. The money from DACF comes with guidelines on how it should be used. These take the form of a District Plan, which is drawn up by the **National Development Planning Commission** in consultation with the Ministry of Local Government and Rural Development. The plan then has to be approved by the assembly, which has the power to make amendments.

However, central control of resources limits the autonomy of the assemblies. In this sense the system in Ghana is more 'deconcentrated' than 'decentralised'. The financial, material and human resources are all distributed from the ministries; recruitment takes place at the central government level for technical and support staff and permanent employees. There is also direct government influence on the composition of the assemblies, which are 70 percent elected (from the local area) and 30 percent government appointed. Furthermore, the District Chief Executive (DCE), the political head of the district, is appointed by the central government, providing central government with a channel to influence council decision making.

Another hurdle for local autonomy is the tension between sectoral ministries (health, education, etc.) and assemblies. The assemblies have a mandate for service provision, but the resources for each sector are controlled by the relevant ministries which tend to bypass the assemblies. Service delivery at the local level therefore depends on the ministries themselves rather than on the assemblies. The **Local Government Services Bill** is still waiting to be passed, but it is supposed to integrate the administrative systems of central and local government at the local level. This would be an important development, because the sectoral ministries would have to start reporting to the assemblies. Currently the assemblies are disempowered in key areas and often bypassed by 'constituents' and donors, who prefer to go straight to the ministries themselves.

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<sup>15</sup> *Ghana: The New Local Government System*. Ministry of Local Government and Rural Development, Accra. November 1996.

## Chieftaincy

The institution of chieftaincy is principally associated with local political and economic decision-making. Ghana has both matrilineal and patrilineal chiefly lineages, but beyond this broad distinction the more precise social organisation and chiefly functions vary between stools.<sup>16</sup> Chieftaincy is a factor differentiating inter- and intra-ethnic kinship and cultural identities. It is misleading to speak of 'chieftaincy' as a single category – as well as variations in the internal organisation of different stools there can also be some variation in relations with the state. However, here we shall discuss chieftaincy in Ghana at the general institutional level. For policy initiatives at the local level a more precise understanding of chiefly organisation within the relevant locality is likely to be necessary.

As in most other parts of Africa chieftaincy has been formalised in Ghana and brought within the remit of the state. Since independence the position of traditional authority in the state has undergone vicissitudes with successive constitutional changes, but the overall pattern has been the erosion of chiefly power in relation to government. The CPP in particular sought to break the power of chiefs, especially in the Ashanti region, which it succeeded in doing through a series of constitutional provisions that extended government control over areas previously decided through customary law.<sup>17</sup> As Rathbone (2000) has shown, the CPP viewed chieftaincy as an obstacle to their control over the countryside. The struggle to eliminate chiefly power was a defining feature of Nkrumah's rule, and the marginalisation of chiefs from political power under the CPP has not been overcome.

The CPP government acquired stool lands and changed the boundaries of traditional states – particularly important in the creation of the Brong-Ahafo region, which broke the backbone of Ashanti chiefs. It also took control of the appointment ('stooling') and removal ('destooling') of chiefs to ensure that the chiefs in place were compliant. As a result chiefs became dependent on government patronage, both for material and political survival. The institution of chieftaincy became an important instrument of CPP control over the regions, itself testament to the power that chiefs had over their constituents. This perhaps explains why chieftaincy was not destroyed altogether:

'Although the CPP had been committed to something close to the destruction of chieftaincy, political expediency eventually suggested that it needed instead to create an entirely different kind of chieftaincy. This was to be a chieftaincy entirely dependent on the government for its legitimacy, maintenance and survival and hence a chieftaincy that was to be a subset of government itself.' (Rathbone, 2000: 161).

In some ways, the persistence of chieftaincy and the continued importance attached to it is remarkable, but as Rathbone (2000:163) points out: 'materialist accounts of chieftaincy provide us with only some of the clues about what chieftaincy can mean.' As well as at times being perceived as obstacles to progress, 'in recent years, when the capacity of central government to provide such administration beyond the city limits has withered, chiefs have again been turned to as arbitrators and as allocators of values.' (op. cit., p.163). Whilst acknowledging the diminished power of chiefs, Boafo-Arthur (2002: 7) notes: 'unlike the First Republic during which every conceivable effort was expended by the government to cut the chiefs down to size, the swing of the political pendulum later favoured the chieftaincy institution.' The responsiveness of chiefs to the changing role is likely to have been helped by the

<sup>16</sup> a 'stool' (or in some lineages a 'skin') symbolises the institution of chieftaincy and is specific to each clan – different clans have different stools to particularise their own lineage.

<sup>17</sup> See Rathbone (2000)

fact that the majority of chiefs are also working people, often in highly skilled occupations, and therefore aware of and affected by social and political change.

*The Chieftaincy Act* of 1971 led to the formation of the National House of Chiefs in addition to the already existing Regional Houses of Chiefs and the Traditional Councils. These three institutions remain the cornerstone of chiefly relations with government and may therefore constitute possible policy levers. The Act also created judicial committees 'to hear and determine any "cause or matter affecting Chieftaincy".' (Boafo-Arthur, 2002: 6). The 1981 revolution again brought the state into direct conflict with traditional modes of governance, but conciliatory measures were taken in 1983 with the ERP.

In the 1992 Constitution, the institution of chieftaincy is formally guaranteed and the Houses of Chiefs are given autonomy to accord or withdraw recognition to or from a chief. Each Regional House of Chiefs elects five paramount chiefs to the National House of Chiefs. These institutions are likely to be important points of reference in the CRISE study due to their judicial and mediation roles in chieftaincy conflicts. These are the most prevalent type of conflict in Ghana and principally arise through disputes over stool succession. There are currently numerous disputes, of varying importance, and of course not all of them become violent. But some of them do and in some instances the violence has potentially much wider ramifications. The Dagbon crisis, for example, has been marked by violent conflict between members of the Andani and Abudu lineages and has been of national concern. Disputes are initially supposed to be addressed by the traditional council; failing that by the Regional House of Chiefs, and as a final step in the 'traditional' system by the National House of Chiefs. If no resolution is found through customary law jurisdiction goes to the Supreme Court, thus highlighting the integration (and subordination) of chieftaincy in the framework of the state.

A key aspect of the current constitution is the prohibition of chiefs from active involvement in partisan politics. Boafo Arthur (2002: 15) describes this clause as 'revolutionary both in letter and spirit' and states that '[N]o past constitution was ever so forthright with regard to the intermeddling of chiefs in partisan politics.' However, this is an issue of continuing debate in Ghana; those against argue that it compromises the democratic rights of chiefs, and that since chiefs are supposed to represent the interests of their people they should be able to facilitate development through Parliament or the Ministries. But those in support of the constitutional provision point out that if chiefs took an active part in partisan politics they would lose the neutrality necessary to maintain effective authority over their subjects who may have differing political allegiances. Political participation would also expose chiefs more to the vicissitudes of politics and to government discrimination should the party previously supported lose power. Nonetheless, Boafo-Arthur (2002) claims that most chiefs flout this clause of the constitution – i.e. they are active in partisan politics. Chiefs do not, however, occupy positions of state, either in the ministries or in Parliament. This implies that it is political patronage rather than direct political participation that remains an important element of chiefly authority and that politicians use chiefs to generate local support.

Chiefs previously had automatic representation in District Assemblies and sub-regional structures (Urban, Zonal, Town Councils and Unit Committees) – a privilege removed by the PNDC and not restored in the 1992 Constitution. However, there is nothing to preclude the nomination of chiefs by the government on the basis of the state's right to appoint one-third of DA members. The frequency with which this actually happens would be a relevant point for further investigation. In theory DAs are non-partisan – members are supposedly not elected on the basis of political



affiliations. In reality DAs are highly politicised, raising the question of chiefs' capacity for neutrality if they are appointed to DAs. A provision in the 1992 Constitution is 'for two chiefs from the Regional House of Chiefs to serve on their respective Regional Coordinating Councils' (Boafo-Arthur, 2002: 12). Furthermore, although the RCCs are also supposed to be non-partisan, they are closer to government and therefore of greater political significance than the more numerous DAs, where there are currently moves to remove chief's automatic representation. This is another way in which the role of chiefs could be significant for policy leverage.

A critical problem for traditional authority in Ghana arises from conflicts over chiefly succession. Boafo-Arthur (2002:20) characterises these conflicts between the 'rightful' successors according to customary law and wealthy but non-eligible aspirants drawn from the modern elite:

'...the institution is reeling under the weight of interminable succession disputes occasioned by non-royals who because of their wealth and political connections influence kingmakers to nominate them as chiefs. By trying to circumvent tradition and custom which have decreed who qualifies to be a chief, a lot of tension has been created in some communities. As such a precious heritage of the country appears to be threatened by the misuse of wealth. A solution is yet to be found to this canker by the National House of Chiefs.'

Furthermore, the involvement of chiefs in partisan politics may raise the stakes entailed in succession, and therefore exacerbate chieftaincy conflicts:

'The rugged nature of partisan politics in Ghana is bound to compound the problems of several communities if chiefs are not circumspect in how they participate in national politics. It appears then that the constitutional provision debarring chiefs from partisan politics is opportune. Frankly, it has saved the institution from destroying itself in the turbulent political arena.' (Boafo-Arthur, 2002: 20).

#### **4. Policy Levers in Civil Society and the Private Sector**

##### **Religious Organisations**

Religion plays a central role in both the private and public spheres in Ghana and therefore religious organisations constitute an important policy lever, particularly in conflict prevention and resolution. The country is predominantly Christian, with around 65-70 percent of the population professing adherence to one of the Christian denominations. The Muslim population is also substantial, accounting for an estimated 30-35 percent of the population, and 'traditional' or 'local' religions are followed by up to 5 percent of people.<sup>18</sup>

Christian and Muslim communities exist throughout the country, but broadly, the Muslim population is more concentrated in the Northern Region and in the Upper East and Upper West; whilst Christians, although ubiquitous, are predominant in the southern regions. There is something of a religious division, therefore, but it should be stressed that although the majority of Ghana's Muslims are in the northern part of

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<sup>18</sup> Figures cited in Ninsin (1998), but they are approximations only – for instance, there was discord amongst Muslims after the last census, which they felt had significantly underestimated their numbers. The 5 percent figure for 'traditional beliefs' may also be too low – in surveys people may not admit to the adherence of 'traditional' religions. Equally, the figures cannot account for the syncretistic elements of religious practices, which may be derived from more than one tradition.

the country, Christianity is still strong there. Indicative is the fact that there are many ethnic groups in the North where Islam is either weak or non-existent. However, for both research and policy this broad religious division in Ghana is important to consider because it also coincides with disparities in levels of development.

Historically there has been disequilibrium between the north and south of the country - since colonial times, at least - with wealth, investment and education concentrated in Accra and other coastal cities of the south. By contrast, what are now the three northern states are much more arid, with lower agricultural yields, and have in effect been a labour reserve for mining interests and cocoa plantations further south. Cocoa producing areas have moved over time, from the Eastern Region, spreading to the Ashanti Region, and now most prevalent in the Western Region. But in spite of these North-South differences there has not been conflict between Christians and Muslims in Ghana. There has, however, been some violent conflict among Muslims, usually between followers of different traditions of Islam. A further instance of conflict has been in Accra between the Ga, professing to their indigenous beliefs, and Christians. The annual Homowo Festival of the Ga bans loud noise; Christians, however, have often disregarded this ban and continued with loud drumming as part of their own worship, creating tensions with the Ga. The issue is over the Ga's defence of land rights, but this brings religion to the fore.

Christianity in Ghana is pervasive and is represented by a very diverse array of churches and Christian organisations. The most important umbrella group is the Christian Council of Ghana, which now incorporates sixteen churches, including the main orthodox churches, and two Christian organisations. The Catholic Church is also influential, including in the north, where most of the Christians are either Catholic or Presbyterian. There are also mission schools and health services in the north in which evangelism is concentrated. The main representation of the Catholic Church in Ghana is the country secretariat of CARITAS in Accra. The Christian Council and CARITAS, therefore, constitute the two main policy-levers for churches in Ghana. However, they have limited impact on the vast majority of 'charismatic churches' which have proliferated (mostly in Accra and Kumasi) which are too numerous to count.

The Christian Council was founded in 1929 and now includes Anglican, Methodist, Presbyterian, Lutheran, Evangelical, Greek Orthodox, Baptist, Mennonite and Mission Churches, as well as the Salvation Army and the YMCA and YWCA. The Council aims to strengthen the capacity of its members to contribute to social justice and to provide a platform on which they can work together. The Council's intentions are to work with its member Churches in the following areas:

- The fight against the HIV/AIDS pandemic.
- Ensuring that conflicts and violence (especially those that are political, religious and culture-based) are minimised.
- Leading the fight against corruption and promoting good governance.
- Championing the advocacy of quality education, quality health care and general poverty reduction.
- Championing respect for the rights of the under-privileged including migrants and displaced persons.
- Combatting environmental degradation

The Council has been very active in conflict mediation and resolution, whether involving Christians - such as in the Homowo Festival in 2000 when the Council initiated a statement that apparently helped maintain the peace - or in chieftaincy

disputes where the Council has played a role as 'third party broker'. The Council has links with other church organisations, including CARITAS, the World Council of Churches (WCC) and the All Africa Conference of Churches (AACC). Its links with the NGO community are also extensive, and its involvement in the Inter-NGO consortium promotes its collaboration with national and local NGOs.

The work with NGOs mostly occurs during emergencies, or in providing relief, but there are wider projects too which affirm the Council's importance as a development actor; for example, a programme in peace education for school children in northern Ghana. This was initiated by WANEP<sup>19</sup>, but the role of the churches has been instrumental in incorporating 'peace education' onto the syllabus. In addition both the Christian Council and CARITAS have been working with UNHCR to aid the refugee populations in camps around Ghana. These are registered by UNHCR and include the approximately 42,000 Liberians at Budubra Camp (30 km. from Accra), and the 2,200 refugees at Kisan Camp (in the Western Region) - mostly people from Sierre Leone, Sudan, Rwanda and Togo. Aid has been given to urban refugees by UNHCR through the Christian Council.

A further impact of the Council is on politics itself - although supposedly its participation is 'non-partisan', as the Council states:

'[A] cardinal concern of the Council is the political democratisation process in the country. We continue to play a non-partisan role in the political history of the country through the statements we provide on various issues.'

These statements have ranged from such issues as the budget and bills, to HIPC, and concerns over good governance. The vigorous role of the Council in the pro-democracy movement that helped push through the return to constitutional rule in 1993 underlines the significance of its political engagement. Indeed, the Christian Council and the Catholic Bishops Conference 'actively mobilised their congregations to press for political reforms' (Ninsin, 1998: 11). Ninsin (1998:11-12) postulates that the use of the Churches as instruments of political action was a strategic move to compensate for the repression of 'traditional' middle class organisations - such as the Association of Recognised Professional Bodies - by the PNDC. The major church organisations advocate good governance and work towards poverty reduction, promoting both as related aspects of development. Ninsin (1998:12), however, has questioned the consistency of such a strategy:

'[I]f the Christian Churches should become instruments of good government, which is essentially a middle class project, it is unlikely that they would become advocates of the rights of the poor - which would place them in stark contrast with the tradition of liberation theology of Latin American Churches.'

CARITAS is also worth further mention due to its work in northern Ghana where the majority of conflicts have occurred. Clearly an influential organisation, with a presence in 162 countries world-wide and 45 in Africa, CARITAS has resources at its disposal that are likely to exceed those of most local NGOs. In Ghana CARITAS operates in eighteen dioceses. It has ecumenical relations with the Christian Council, as well as a role in the Interfaith Committee, which is very important in conflict mediation (recent activities having been focused on the Dagbon crisis). CARITAS also intervened in the 1993 northern conflict and helped broker the Kumasi peace accord; in the Damango diocese it has organised seminars and training in peace-building, and there is an officer in charge of peace-building in the area. In sum,

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<sup>19</sup> The West African Network for Peacebuilding - see [www.wanep.org](http://www.wanep.org)

however, although conflict prevention and resolution is a new area that CARITAS is entering, its activities are highly relevant to CRISE.

Amongst the Muslim population of Ghana there are different Islamic orientations, with different influences over them and different origins.<sup>20</sup> As stated above, Islam is spread throughout Ghana, but is more concentrated in the north - especially in Upper West and Upper East Regions. Sufism is the dominant form in Ghana; it was spread from other parts of West Africa, principally from northern Nigeria by the Hausa and from the Mali-Mauritania and Niger region by the Wangarawa, Mandi and Dyula. Hausa and Dyula culture have especially influenced Islamic practices in Ghana. The Hausa influence comes through much Islamic education, which is conducted in the Hausa language and is therefore the *lingua franca* of most Ghanaian Muslim communities. *Zongos*, which are satellite communities throughout Ghana originally established by migrants from other parts of West Africa, sustain some of the links to Muslims in other parts of the region. However, most inhabitants of *Zongos* have now been there for two, three or more generations: the first Hausa migrant settled in Accra in around 1850.

Another influence has been from the Ahmadiyya Muslim Mission, which arrived in Ghana in 1921. This denomination originated in India whose spiritual leader resides in London.<sup>21</sup> Since independence, however, the most significant development in Islam has been the strengthening of links with Middle Eastern influences and traditions. This came primarily with the opening of embassies - Egypt in 1957, Saudi Arabia in 1962, and Iran in 1982 (following the 1979 Revolution). The global dimension is perhaps best symbolised by the arrival of the Nation of Islam in Ghana in 1995. The Middle Eastern influences have been non-Sufi - Shi'ism from the Iranians and Sunni Islam from elsewhere, including Wahabism from Saudi Arabia. These links also developed through scholarship schemes, which have produced Ghanaian graduates from seminaries in the Middle East. In the case of the Shia, the developmental role has been particularly significant. Development activities have ranged from socio-economic development initiatives - for example, a health clinic in Accra and a Rural Development and Health NGO in the north - to the establishment of an Islamic University in Accra, the first Muslim tertiary institution in Ghana. However, most of the students at the university are not Shia, and go to the Sunni mosque.

The diversity of orientations of Islam in Ghana is central to understanding the intra-religious conflicts that have taken place - such as the widespread violence in the north in 1997. Ethnicity may also be a mobilising factor if ethnic identity coincides with religious orientation. This sometimes happens when there is something specific at stake - for example, the selection of an imam. Ethnicity may then play a role, even though what is at stake is a religious issue rather than a cultural one, because beneath that cultural manoeuvres are being used, instead (or in addition to) Islamic principles, to gain religious ends.

The policy-levers are not altogether clear, and are likely to be determined by the specificity of particular conflicts. The most important would surely be the Muslim Council, which is the principal representative body for Muslims in Ghana. The Ahmadiyya Muslim Mission also has experience in mediation. As with the Muslim Council, its role in conflict resolution may apply to non-religious conflicts. In the

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<sup>20</sup> The following background on Islam in Ghana was given by Hajj Sulemana in an interview at the Department for the Study of Religions, University of Ghana.

<sup>21</sup> The Ahmadiyya are regarded by most orthodox Sunni Muslims as heretical

recent (and ongoing) Dagbon chieftaincy crisis, for example, both the Muslim Council and the Ahmadiyya Mission have been involved in mediation through the Northern Interfaith Committee with, amongst others, the Christian Council. But Dagbon is a chieftaincy dispute without religious dimensions - the religious bodies are neutral, with experience in conflict resolution and work together towards a solution.

### **The Private Sector**

One of the policy commitments in the election campaign of the NPP was to provide a more supportive environment to private sector activities. It views itself as 'the party of business' (Hutchful, 2002: 247), with domestic enterprise and foreign direct investment integral to its development strategy. However, despite the rhetoric in the NPP's 2000 election campaign, the NDC also sought the endorsement of business – for instance, it took steps to increase FDI by establishing Export Processing Zones following the 1995 Free Zone Act (Tsikata, Asante and Gyasi, 2000).

Private sector activities in gold mining, logging and cocoa production constitute the main source of foreign exchange in Ghana. However, the domestic economy continues to revolve around subsistence agriculture, which accounts for 36 percent of GDP and employs 60 percent of the workforce.<sup>22</sup> The overall performance and the structure of employment and economic relations in the private sector is of direct relevance to the research at CRISE. The mining and cocoa sectors in Ghana warrant particular attention due to their economic dominance.

**The Ghana Cocoa Board (COCOBOD)**<sup>23</sup> - COCOBOD is the government-owned agency that regulates the cocoa industry in Ghana.<sup>24</sup> Cocoa is one of the country's two main exports, thus the degree to which the structure of production, processing and export in the cocoa industry engenders horizontal inequalities is relevant to CRISE. COCOBOD would be the principal policy-lever in the cocoa sector, although its leverage has been reduced due to deregulation.

There have been substantial changes in the sector since 1993, when competition was reintroduced into the internal marketing of cocoa, leading to a large increase in the number of companies able to buy and process cocoa from the producers. Companies need board approval to obtain an operating licence but since 1993 the number of Licensed Buying Companies (LBCs) has steadily increased, weakening the monopoly of the COCOBOD subsidiary, the Produce Buying Company Ltd. (PBC). In 1993 there were six LBCs in addition to the PBC; in 1996/97 the number of LBCs had risen to thirteen, with a total of 32 percent of the market share compared to the 68 percent share of the PBC; and since 1997 six more LBCs have come into operation.

**The Mining Sector** - there are four main minerals mined in Ghana: gold, diamond, bauxite and manganese. Gold is the most lucrative, accounting for more than 95 percent of Ghana's mineral exports. There are numerous gold mining and exploration companies operating in Ghana – the sector received priority attention during the Economic Recovery Programme, which introduced an attractive fiscal regime for FDI. The sector is dominated by Ashanti Goldfields Corporation, which has recently been taken over by Anglo-American, one of the largest multinational mining companies. Ashanti Goldfields also has mines elsewhere in Africa and is listed on the New York

<sup>22</sup> CIA World Factbook. Country Profile: Ghana.

<sup>23</sup> The information in this section is taken from the Ghana Cocoa Board website at [www.cocobod.gh](http://www.cocobod.gh)

<sup>24</sup> *The Regulations and Guidelines for the Privatisation of the Internal Marketing of Cocoa.*

stock exchange. Ashanti operates several mines in Ghana, including the largest, Obuasi, which accounts for more than half the country's annual gold production.

The other mining sectors are much smaller – the state-owned Ghana Consolidated Diamonds Limited (GCD) mines diamonds and the Ghana Bauxite Company owns the only manganese mine (Akabzaa, 2000:14). There is a mixed ownership structure of the mines, but foreign companies control on average about 70 percent of shares whilst the government has a free share of 10 percent in each mine and can acquire up to 20 percent extra through the market (Akabzaa, 2000: 15).

Small-scale mining is an important. Collectively, small-scale mines compete with the larger mining companies – they extract the most diamond and the fifth largest amount of gold. In social terms small-scale mining is important for the livelihoods of large numbers of people, although the precise figures are difficult to ascertain because so much of it falls within the informal sector. The government has tried to formalise and regulate small-scale mining (which was illegal until 1989). They are now required to register and sell through the official Precious Minerals Marketing Corporation. Although many co-operative and individual small-scale miners have registered and licensed, there are others that did not and continue to operate illegally. The latter group are referred to as *galamseys*.

**Private Enterprise Foundation** - PEF is a national umbrella group for the advocacy and promotion of private sector interests in Ghana. It constitutes an important policy lever for the private sector by virtue of the six influential coalitions that are its membership:

- the Association of Ghana Industries (AGI)
- Ghana National Chamber of Commerce and Industry (GNCCI)
- the Ghana Employers' Association (GEA)
- the Association of Federations of Ghana Exporters (FAGE)
- the Association of Bankers (GAB)
- the Ghana Chamber of Mines (GCM)

The aim of PEF is to create the 'enabling conditions' for private sector led growth and development; its foundation was supported through USAID grants and contributions from the Government of Ghana, DANIDA and UNDP. It acts as a platform for 'consensus-making', doing advocacy on issues of cross-cutting concern to members. Its advocacy is directed principally towards ministries and Parliament. At the macro-economic level it lobbies on such issues as high interest rates, credit availability, and tariffs. Its advocacy techniques can be quite imaginative, such as the organisation of a weekend retreat for Parliamentarians (from the relevant Parliamentary committees) to 'sensitise' them on required legislative changes.<sup>25</sup>

Importantly, the members of the six commercial associations / chambers that make up PEF also include some very influential multinational companies. The PEF therefore represents the private sector in Ghana in general, and not specifically Ghanaian corporations. One strand of its work is to attract FDI and to make the conditions attractive for MNCs already operating in Ghana. For example, it has represented the mining sector over its dissatisfaction in the mining sector with the

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<sup>25</sup> This particular retreat addressed health insurance policies, procurement, and company codes. The latter was enacted by the CPP in 1963 and there is apparently government and general consensus that these need updating, but clearly this could happen in a variety of ways therefore the private sector has been concerned that the changes are agreeable to them.

Minerals and Mining Law.<sup>26</sup> It has also been concerned with trade policy, which is seen by the Ghanaian business community as 'too open'. In particular, there has been concern with competition both from subsidised European and West African imports, and PEF has advocated tariff increases, such as a raise to 20 percent on poultry - along with textiles, probably the worst hit industry - but this was blocked by the government.

PEF is also active in policy-based research which is used to support its advocacy. Three main areas of research and advocacy are identified in its corporate brochure:

- land reform, the impact of the legal and regulatory framework, competitiveness, the tax regime, multilateral and bilateral trade agreements;
- monitoring best management practices and identifying strategic factors accounting for enhanced enterprise competitiveness, and disseminating such best practice findings among member enterprises;
- making proposals to government to mainstream such best practices in industry.

### **Trade Unions**

There are 17 national trade unions in Ghana, and these come together in the Trades Union Congress. The TUC remains powerful, although its strength has been reduced over the past two decades due to the laying off of 300,000 - 400,000 workers as a result of structural adjustment. Opposition of the TUC to Rawlings, however, was important in the democratic transition. The TUC's influence in the transition came principally through its pro-democracy alliances with other groups on the pro-democracy platform of the MFJ.

To the extent that class is an issue of concern in the CRISE research - for example, if there are strong correlations between ethnicity and class - then the TUC may constitute a possible policy lever. Its purpose is obviously to protect and promote the workers' rights of the member unions, and its policy leverage may lie as much, or more, in the area of corporate or industrial relations as with government. In fact, the TUC has fought the current NPP government over several of its key policies. The health insurance policy has been bitterly contested - this is an initiative to introduce a compulsory 2 percent contribution from workers to the Social Security and National Insurance Trust (SSNIT). The state has passed the bill, but the TUC complains that it unfairly discriminates against workers in the formal sector.

### **Non-Governmental Organisations**

Many of the NGOs in Ghana emerged as part of the pro-democracy movement at the end of the 1980s and have gained strength in the fourth republic. Whilst there has been a huge opening of Ghanaian politics, the political culture and the dispensation of resources are still not fully democratic. Many NGOs are therefore critical of government, but their direct impact probably limited.

The majority of NGOs are Accra-based, but most also have activities elsewhere in Ghana. The larger NGOs in Ghana often belong to networks or organisations which operate in other parts of Africa or even globally. Many depend on international NGOs (INGOs) and aid agencies for funding. Some INGOs have offices in Accra, including

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<sup>26</sup> This law was passed in 1989 to regulate mining in Ghana and was 'good for investors when enacted', but it is no longer attractive having being out-competed by the more liberal laws in such countries as Mali, Tanzania and Guinea. The legal situation for mining is further complicated by the separate regulations for *galamsey*, which often 'encroach on the land of big companies' (interview at PEF, September 2003).

CARITAS and ActionAid; Oxfam, Save the Children and Christian Aid all carried out work in Ghana in conjunction with local NGOs.

Most Ghanaian NGOs are involved one way or another with development and social justice, covering a broad range of issues, many of which are potentially related to the work of CRISE. Those identified below as having 'policy-leverage' are all high profile and well established, while their political orientations and *modus operandi* differ.

**ABANTU For Development** - is an international NGO that addresses gender issues for policy making in Africa.<sup>27</sup> The Accra office was established in 1999 as the regional office for West Africa. ABANTU is the most prominent NGO in Ghana working exclusively on gender issues. It has links with women's groups and other NGOs. This makes Abantu a key policy lever in Ghana, and West Africa more generally, to learn about how to disseminate research findings with a bearing on gender.

ABANTU aims to reverse the neglect of women's issues in policy, through advocacy, and capacity-building towards women's organisations across the continent. Abantu has built up a network of NGOs, particularly relating to the effects of service-orientated policies and structural adjustment on women. For example, Abantu has been involved in the coalition against mining in forest reserves, pointing to the negative effects of relocation and the loss of livelihoods dependent on forest resources.

Two of Abantu's key themes – conflict and governance - are particularly relevant to CRISE:

*Conflict:* Abantu's work on conflict focuses on its effects on women, particularly the increased responsibilities that conflict brings in the reproductive sector (for example in the management of households). The organisation argues for more consultation of women in conflict resolution.

*Governance:* it argues that women should be present in government not just in numbers but also quality. Abantu supports the need for affirmative action to increase the number of women in government. It also works with the 180 women with positions in DAs around the country.

**The Integrated Social Development Centre (ISODEC)**<sup>28</sup> – an influential NGO based in Accra that often challenges development orthodoxies. ISODEC undertakes advocacy work, publishing widely distributed, authoritative research reports. It is probably best known for its campaigns against privatisation; it is a member of the Ghanaian Coalition Against Privatisation. It has recently produced a study on the effects of water privatisation in Ghana, which it estimates could increase water tariffs by up to 300 percent.<sup>29</sup>

ISODEC has also led a coalition of Ghanaian organisations in developing an alternative economic model to the neo-classical model used by the World Bank. This is based on a computer-based system, called 'Distributional Effects of Economic Policy' (DEEP), which aims to increase the specificity of economic analysis on Ghana. Rather than starting from a generic model, 'DEEP explicitly addresses

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<sup>27</sup> ABANTU has offices in the UK, Eastern and Southern Africa, and West Africa. For more information visit the website at [www.abantu.org](http://www.abantu.org)

<sup>28</sup> For more information see [www.isodec.org.gh](http://www.isodec.org.gh)

<sup>29</sup> The report is available at [www.isodec.org.gh/isodec/campaigns.htm](http://www.isodec.org.gh/isodec/campaigns.htm), and at [www.brettonwoodsproject.org/topic/privatesector/Ghanawater.doc](http://www.brettonwoodsproject.org/topic/privatesector/Ghanawater.doc)



geographic issues (region, rural/urban), differentiates impacts by occupation type and social group, and enables social service provision and income/distribution to be mapped against human development indicators.’ (Wilks and Lefrançois, 2002: 30). The model might be very useful for CRISE analysis of horizontal inequalities.

**Third World Network (Africa)** - TWN is international in scope, but has a very clear presence on the Ghanaian domestic scene. Being a network the secretariats of TWN also operate with a degree of autonomy that is perhaps not experienced by the local offices of most INGOs which tend to work within tighter institutional structures. That said, one of the hallmarks of TWN seems to be its locally-driven approach to research and advocacy with, at the same time, concern for the international context of development that is the focus of TWN as a whole. For this reason the comparative aspect of CRISE research could be particularly relevant for TWN Ghana, and as part of a network it would also have the potential to disseminate research findings to other offices. In both its research and advocacy capacities, TWN defines itself as:

‘...an international network of groups and individuals who seek greater articulation of the needs and rights of the peoples of the Third World, especially marginalised social groups, a fair distribution of the world’s resources and forms of development which are ecologically sustainable and fulfil human needs.’

This sets out an agenda for development that is often at odds with dominant paradigms and practices. TWN is therefore frequently referred to as being ‘radical’. A good example is its work on mining, which has provided an environmental and socio-economic critique of mining sector activities in Ghana.<sup>30</sup> It is part of the coalition against mining in forest reserves.<sup>31</sup> Its critical rather than strictly interest-driven approach means that TWN occupies an important space and its advocacy role certainly qualifies it as a policy lever.

**Ethnic and Regional Associations** – this category is very broad, referring to a wide range of pressure groups and caucuses that represent particular ethnic or regional interests. They include, for instance, Youth Development Associations and self-help organisations, as well as urban caucuses set up by migrants to represent regional interests elsewhere in the country – an example being the Savannah Caucus. Ethnic/regional associations are also frequently involved in dispute settlement during instances of community tensions.

## Think-tanks

**Centre for Policy Analysis** - CEPA is perhaps the most influential think-tank in Ghana. It was founded by Dr. Joe Abbey, former Ambassador of Ghana to the United States. Its analysis of economic and social policy is highly regarded and is usually combined with quite specific policy recommendations. CEPA’s annual economic report is especially influential and its formal launch attracts ministerial interest. CEPA mainly works on macro-economic performance, but it has also published a large amount of research on specific sectors, such as education.

**Centre for Democracy and Development** – CDD emerged as an organisation with a clear mission to deepen the democratic transition in Ghana and promote more

<sup>30</sup> Published by TWN as *Boom and Dislocation: The Environmental and Social Impacts of Mining in the Wassa West District of Ghana*. Thomas M Akabzaa (2000).

<sup>31</sup> One informant closely connected to the government commented without irony that in the ministries the forests ‘are not there on paper’.

openness and transparency in government.<sup>32</sup> CDD Ghana appears to function relatively autonomously, but is part of a larger organisation with offices in the UK and Nigeria.

CDD Ghana conducts large amounts of research work including public perception surveys – a recent survey, for example, looked at perceptions of corruption. CDD also publishes a quarterly newsletter called *CDD Democracy Watch*, which monitors democratic development in Ghana. Training and Capacity Building activities help disseminate research findings to a wider audience, including other NGOs, government and the private sector.

**African Security Dialogue and Research** - ASDR is an academic think-tank based in Accra. Its work has practical application and it has been involved in conflict prevention, mediation and rehabilitation efforts. Its main focus is on small arms control, security sector reform in Ghana, and the role of regional bodies and security organs. ASDR publishes extensively on the 'security-development nexus' in Ghana and the West African sub-region. The 'dialogue' in ASDR has various dimensions – not only direct mediation, but also as discussants on the radio, for example. Engagement with the media, of course, helps ASDR to disseminate and raise awareness of their research.

### **The Print and Broadcast Media**

The media have expanded enormously since the restoration of democracy, and although intellectuals lament that quantity has not been matched with quality, the media is inevitably an influential shaper of popular opinion. Media pluralism is a hallmark of the fourth republic. The main training centre for journalists is the respected **Ghana Institute of Journalism** in Accra.

Of the **newspapers** the most influential is probably *The Daily Graphic*; also prominent are *The Ghanaian Times*, which is state-owned, *The Statesman* and *The Chronical* (centrist papers), *The Public Agenda* (more to the left) and *The Insight* (firmly on the left and very critical of both the NDC and NPP). Other papers include *The Crusading Guide* and *The Daily Guide* as well as various weekend editions.

Perhaps the most striking development in the media over the last decade, however, has been the proliferation of **radio stations**. There are around 20 stations in Accra and 70-80 countrywide. Some of the main ones include JOY FM, ADOM FM, Peace FM, Radio Gold, Radio Universe and Unique FM. International stations, in particular the BBC World Service, are also popular. In a country where only around 50 percent of the population are literate (and many of these probably not proficient enough to benefit from the printed press) radio is hugely important. This is demonstrated by the trouble politicians take to call in and respond to questions and criticisms, often extensively, spending 10-20 minutes on air. And of course, those who are illiterate are also able to contribute to the debate on phone-in programmes. Access has also been widened by the spread of specialised radio stations broadcasting in local languages.

**Television** is also a potential source of 'popular' information dissemination and debate, particularly more specialist news or current affair programmes which cover issues such as human security. There are four TV stations in Accra: GTV (state-owned by the Ghana Broadcasting Group), TV3, Metro TV (mainly serving Accra), and TV Africa (a new channel, broadcast for 3 hours per night). Outside the capital there are 2 or 3 stations, depending on location, with fewer further north.

<sup>32</sup> For further information refer to the website at [www.cdd-ghana.org](http://www.cdd-ghana.org)

## 5. International policy Levers

Ghana receives Official Development Assistance (ODA) from most of the major bilateral donors, as well as the IFIs, as table 6 shows. The bilateral donors and the European Commission constitute important policy levers; recently there have been efforts to coordinate their work more closely with each other and with the IFIs, such as through Multi-Donor Budget Support (MDBS) framework.

**Table 6: Top Ten Donors of Gross ODA to Ghana (2001-2002 average) in US\$ millions (OECD, 2003)<sup>33</sup>**

1. IDA (World Bank)	168
2. United Kingdom	111
3. Netherlands	106
4. SAF & ESAF (IMF)	68
5. United States	61
6. AfDF	48
7. Denmark	46
8. EC	41
9. Japan	36
10. Germany	29

UN agencies, particularly the UNDP, are significant policy actors, but the main focus of this section is on the role of the World Bank and IMF in Ghana. Bilateral donors have programmes that may differ from the IFIs (and with each other); nonetheless, the IFIs led the ERP and exert a strong influence both in establishing development orthodoxies and in shaping the macroeconomic framework.

### International Financial Institutions

The International Monetary Fund and the World Bank have had a major impact on social and economic policies in Ghana and are thus important to consider both in CRISE studies and in their capacity as policy levers. They have been active in Ghana since the start of economic reforms in 1983. The relationship between the Government of Ghana and the World Bank and IMF informs much economic decision making and is a crucial aspect of Ghanaian politics. They maintain an important influence over major macro policies, including expenditure, principally through the conditionalities attached to their lending. Both the Bank and Fund have offices in Accra and good networks within government and amongst bilateral donors. They also maintain very close two-way links with the head offices in Washington.

Current policy is a follow on from the Economic Recovery Programme, which ran in two phases in the 1980s: ERP I (1984 to 1986) and ERP II (1987 to 1989). There were three main, overlapping elements to the ERP: economic stabilisation, rehabilitation and liberalisation (Toye, 1991: 159).<sup>34</sup> Formally, the Ghana Government drew up the ERP, but in practice the IMF and the World Bank determined its shape and parameters (Toye, 1991: 158-9).<sup>35</sup> As shown below, this scenario closely

<sup>33</sup> available at <http://www.oecd.org/dataoecd/21/40/1881076.gif>

<sup>34</sup> The impact that different elements of the ERP had on ethnic relations in Ghana could be a relevant area for CRISE research. In particular, how were the effects of adjustment moderated by social arrangements within Ghanaian society?

<sup>35</sup> Toye (1991: 158-9) notes that 'Ghana's own ability to shape the ERP was...almost non-existent, despite some official claims to the contrary.'

resembles current relations between the Fund / Bank and the current NPP Government in formulating the Ghana Poverty Reduction Strategy Paper (GPRSP).

The economic crisis which led to the adoption of the ERP is often characterised as ‘a classic case of policy-induced decline’ (Hutchful, 2002: 6; 2003: 79; Toye, 1991).<sup>36</sup> However, the constraints and weaknesses inherent in a narrow commodity base, the impact of poor external terms of trade, and subsequently a reliance on credit and aid, suggests external as well as internal factors are important in explaining Ghana’s economic condition. In the 1970s and 1980s domestic and export production declined sharply across all major sectors. GDP per capita fell by 20 percent between 1970 and 1980 and by a further 22 percent between 1980 and 1983 (Hutchful, 2003:79). Fiscal imbalances on recurrent and capital accounts increased the total deficit by 690 percent between fiscal years 1975/6 and 1981/2 (Hutchful, 2002:6). Inflation peaked at 116 percent in 1977 and was 54 percent in 1981; by 1981 Ghana also had the most overvalued currency in Africa, which reduced exports and generated a large parallel market (Hutchful, 2003:7).

The decision to call in the IMF and World Bank and to adopt the ERP was a strategic decision taken and then enforced by the PNDC. The Bank and the Fund were the only means of attaining the large financial inflows needed for the reforms; this has arguably been a constraint for successive governments in determining the direction of reforms. The implementation of the ERP undoubtedly helped improve economic performance; by the end of the 1980s economic growth was restored and real GDP was back to the level of the early 1970s (Toye, 1991: 165). External factors beyond the control of the IFIs aided the reform programme, especially improved terms of trade from 1983 as cocoa prices rose and oil prices fell (Toye, 1991: 168).

The Fund took the lead in the first phase of the ERP (supplying an additional US\$ 1 billion from 1983-87), which focused on stabilising the macro-economy. The Bank became more influential in determining reforms in the second phase of the ERP, which emphasised economic liberalisation and adjustment, whilst the Fund continued to supervise macroeconomic policy. The introduction of the Structural Adjustment Credit shifted Bank lending from programme and project loans towards sectoral adjustment loans (SECAL), ‘an intermediate between policy-conditioned project and programme aid, in that it aims at funding policy reforms within a given sector of the economy.’(Toye, 1991: 163).

There was an economic slowdown in the 1990s, often attributed to the failure of public policy to sustain the reform process of the 1980s; in this account the economic reforms were compromised by ‘boom and bust’ economic management, and a ballooning debt burden which squeezed public expenditure.’ (Foster and Zormelo, 2002: vii). At the domestic level the shift in the reform process may be tied to the democratic transition, which redefined political relations in Ghana. International factors were also important, particularly given Ghana’s continued susceptibility to shocks in commodity markets.

In 1999 the World Bank and IMF introduced the Poverty Reduction Strategy (PRS). This process attempts to raise the effectiveness of policies by incorporating the principle of participation to increase national ‘ownership’ of programmes. The current Ghana Poverty Reduction Strategy (GPRS) runs from 2003 to 2005 and, as Wilks and Lefrançois (2002: 7) explain, ‘is supposed to improve donor coordination and ensure that governments and civil society groups take the lead in defining policies

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<sup>36</sup> For a detailed analysis of the economic crisis and the adjustment experience see Hutchful (2002).

that the Bank and Fund should support.’ *The Ghana Poverty Reduction Strategy Paper (GPRSP)* was produced by the Government of Ghana and approved by the Boards of the World Bank and IMF. The GPRSP determines how World Bank and IMF loans should be spent, and strongly influences the development strategies of bilateral donors. Furthermore, the GPRSP is a requirement to qualify for HIPC debt relief, concessional IDA lending, and the IMF’s Poverty Reduction and Growth Facility (PRGF) (Stewart and Wang, 2003:4).

The GPRSP includes analysis and policy statements, as well as the costing and financing of programmes and projects.<sup>37</sup> The stated aim is to tackle poverty, which is to be achieved through 5 pillars: *macroeconomic stability, production and employment, human resource development, special programmes for the vulnerable and excluded, and good governance*.<sup>38</sup> The level of national ‘ownership’ of PRSPs has been questioned by many observers<sup>39</sup>; in Ghana’s case it is reported that the IFIs had a minimal role in the actual drafting of the PRSP, and that participation was narrow and had little impact on the final document (Killick and Abugre, 2001). Foster and Zormelo (2002: vii) also report the participatory process was weakened by ‘limited engagement by line ministries, and rushed participation with civil society’. It is also claimed that participation was donor-driven and favoured organisations congenial to the ruling establishment which were unrepresentative of poor communities (Killick and Abugre, 2001).

A potential benefit of the PRS exercise may be that it has led to a wider, multi-dimensional conception of poverty in government, civil society organisations, and donor agencies in Ghana. This may increase their receptiveness to CRISE research. However, Wilks and Lefrançois (2002: 28) point out that African PRSPs ‘still over-emphasise income measures and ignore power disparities and issues of empowerment – issues raised in the Bank’s own Poverty World Development Report. Poverty Assessments provide statistics on the incidence of poverty but often fail to offer significant analysis of why poverty persists and what could be done about it.’ The central issue for CRISE is the actual leverage the PRS process has given government and civil society in formulating policy. When compared to previous programmes the GPRSP has made very little difference to the type of policies that have emerged. The Government of Ghana does not seem to have been ‘empowered’ as a result of the PRS because the policy framework is still principally set by the IFIs.

Poverty and Social Impact Analysis (PSIA), a recent Bank initiative, is supposed to be carried out in Ghana to assess the effects of policies. Some of the themes of PSIA resonate strongly with CRISE concerns – such as the distributional effect of policy reforms and the impact on different social groups. In principle the PSIA process seems positive, and goes some way towards NGO demands for the IFIs to give more attention to the broader consequences of their policies.

The World Bank and IMF also have policy leverage in the Heavily Indebted Poor Country (HIPC) Initiative, as they are both creditors and involved in defining HIPC terms. HIPC relief comes with strict conditionalities that have to be met before debt is cancelled. Ghana qualifies as one of the 42 HIPCs, and is currently at ‘Decision Point’ (reached in February 2002), which means that ‘creditors commit to cancelling debt and some debt-service is provided’ but ‘no reduction in a country’s stock of debt actually takes place until they reach ‘Completion Point’’ (Greenhill and Sisti, 2003: 6-

<sup>37</sup> *Ghana Poverty Reduction Strategy: Agenda for Growth and Prosperity*. February, 2003.

<sup>38</sup> *Joint Staff Assessment of the Poverty Reduction Strategy Paper*. International Development Association and International Monetary Fund, Ghana. March, 2003.

<sup>39</sup> See Killick and Abugre (2001); Stewart and Wang (2003); Wilks and Lefrançois (2002).

7). However, Ghana failed to implement conditions agreed with the IMF under the PRGF – such as increasing petrol prices and VAT – which meant that it was denied renewed IMF assistance at the end of 2002. Tables 7 and 8 show debt stocks in Ghana that ought to be relieved according to the HIPC initiative, but these commitments still have to be implemented.<sup>40</sup>

**Table 7: Ghana's debt stocks and relief committed (US\$ million)**

Debt stock before relief	Debt Relief				Remaining debt
	Traditional debt relief	HIPC relief	Additional bilateral relief	Total Relief	
3,898	5	2,187	565	2,758	1,140

(Source: Greenhill and Sisti, 2003 - Jubilee Research)

**Table 8: Total Debt: Pre and Post HIPC in Net Present Value terms**

2000	2001	2002	2003	2004	2005	
<b>Total External Debt (NPV)</b>						
Pre HIPC	3893	3792	3834	3889	3937	4002
Post HIPC	3819	3945	3908	4107	2345	2579
Post HIPC plus additional bilateral	3819	3945	3372	3571	1809	2043
O/w New debt	0	185	402	627	858	1100
<b>Total Multilateral Debt (NPV)</b>						
Pre HIPC	1962	1941	1934	1918	1880	1827
Post HIPC	1962	1941	1858	1918	887	887
<b>Total Bilateral Debt (NPV)</b>						
Pre HIPC	1533	1359	1255	1158	1060	975
Post HIPC	1480	1462	1392	1368	581	575
Post HIPC plus additional bilateral	1480	1462	856	832	45	39
<b>Total Commercial Debt (NPV)</b>						
Pre HIPC	398	306	242	185	139	101
Post HIPC	377	357	256	195	19	18

(Source: Jubilee Research, Ghana Profile, November 2003)<sup>41</sup>

More problematic is that the HIPC initiative may not reduce Ghana's debt to sustainable levels even after the 'Completion Point' is reached. The HIPC initiative does not include new borrowing, nor does it entail complete debt cancellation, therefore Ghana will still have a substantial debt burden even after HIPC relief. Levels of debt will certainly be unsustainable (before and after HIPC relief) if debt servicing is analysed relative to human development needs and meeting the Millennium Development Goals, rather than in relation to export levels.<sup>42</sup>

<sup>40</sup> 'Country Profile: Ghana'. Jubilee Research, November 2003. Available online at <http://www.jubileeplus.org/databank/profiles/ghana.htm>

<sup>41</sup> <http://www.jubileeplus.org/databank/profiles/ghana.htm> - see also for additional statistics and analysis of Ghana's debt.

<sup>42</sup> Under the HIPC initiative, if the net present value of a country's debt is more than 150 percent of its exports, its debt is considered unsustainable and is supposed to be reduced to within the 150 percent threshold. However, the preferred definition of the UNDP, NGOs and African governments is in relation to a country's capacity to achieve the Millennium Development Goals. Greenhill and Sisti (2003) of Jubilee Research calculate debt sustainability by costing MDGs 2-7 in relation to the government budget and debt services required after HIPC. Using this methodology Ghana's debt is unsustainable. Furthermore, even using HIPC initiative calculations, the sustainability of Ghanaian debt depends on rising exports; but with the country's reliance on a narrow commodity there is no guarantee that exports will rise to levels that will enable sustainable debt management. In fact, according to Greenhill and Sisti (2003), the IMF's projections are highly optimistic.

## 6. Conclusions

This paper has assessed some of the main governmental and non-governmental policy levers in Ghana and the political context in which they operate. Ghana's successful transition from one-party rule to multi-party democracy in the 1990s expanded the space in which civil society could operate. Non-state actors have become more important and increased in number. Many NGOs and religious groups were active in the Movement for Freedom and Democracy but have shifted their focus in the fourth republic. Some remain sharply critical of government policies and point to growing social exclusion, particularly in the north, in rural areas and amongst women.

Donors and the IMF/World Bank currently place a strong emphasis on good governance as an essential requirement for economic development and poverty reduction. But the procedures and policies required for good governance are widely contested – research at CRISE may increase our knowledge by indicating how different modes of government relate to conflict. Ghana is particularly apt to study in this regard because despite economic and political upheavals it has avoided the large-scale conflicts that have plagued neighbouring states. The research process should benefit from interaction with Ghanaian academics and prominent NGOs and think-tanks. They may help us to understand how Ghana has avoided large-scale conflict and indicate how conflict can continue to be presented during processes of democratisation. Furthermore, the diverse forms of associational life in Ghana mean there are a wide range of policy-levers that could inform research at CRISE and help disseminate and implement recommendations. This paper broadly divided policy-levers into state and non-state actors, but there is often considerable interaction between them, so it is a tenuous dichotomy, highlighting the need for the inclusion of actors inside and outside government in the research process.

Ministries are the crucial levers in government but regional and district assemblies also have a role. Parliament remains weak in Ghana – a legacy of military rule that has been reinforced by successive regimes in the fourth republic that have benefited from the continued concentration of power in the executive. Chieftaincy institutions are also important policy levers, particularly given the prevalence of chieftaincy conflicts in Ghana. Chieftaincy conflicts are initially addressed through customary law but if unresolved can be taken as far as the Supreme Court. There are also numerous non-state actors, such as religious organisations and NGOs that mediate in chieftaincy disputes. Third party intervention is essential in resolving most conflicts and the 'interveners' are important policy levers. Nonetheless, the absence of any large-scale violent conflict means Ghanaian experiences may be instructive to neighbouring countries, especially Côte d'Ivoire and Nigeria.

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