

# ECONOMIC REFORM IN A SITUATION OF POLITICAL AND ECONOMIC UNCERTAINTY: THE POLITICAL ECONOMY OF GHANA SINCE 1981

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## Introduction

In the early months of 1982 it appeared to a number of people that Ghana had been launched on an unambiguous path of revolutionary change in the December 31 takeover by Flt-Lt. Rawlings.<sup>1</sup> In spite of the failure to even attempt a socialist restructuring of the economy during the AFRC period in 1979, many socialist progressives accepted the initial declaration of the Flt-Lt. that he wanted "nothing less than a revolution, something that would transform the social and economic order of the country".<sup>2</sup> It did not take long, however, for cracks to develop in the revolutionary front. By November of 1982 the cracks had developed into a wide break and erstwhile revolutionary comrades were at one another's throats to the extent of seeking the arbitrament of guns. Revolutionary stalwarts left the fold and by June the following year a full-scale coup was being employed by some of them to remove the regime.

A close examination of events, policies and speeches in the first half of 1982 yields the view that from the very beginning of "the revolutionary process" there was a potentially fatal ambiguity about its political objectives. The socialist progressives<sup>3</sup> who rushed to Flt-Lt. Rawlings' banner, though by and large aware that the takeover of December 31, 1981, was a military insurrection and not a real revolution, thought that it had nevertheless brought about a shift in the balance of social forces in favour of popular

and progressive forces, an outcome which opened up real possibilities of advancing the revolutionary process.<sup>4</sup> On the basis of this, progressive organizations decided to form a broad national united front in support of the PNDC and against "imperialism and its local allies". This front was to be based on an alliance of workers, peasants and progressive forces generally "under the leadership of the working class". The front itself was to be led by the progressive tendency within the PNDC working through the emerging Defence Committees.<sup>5</sup>

The socialist progressives enthusiastically worked their way into important and influential positions within policy-making organs and the publicly owned mass media. Thus the mass media operated from the perspective of the socialist progressives. In particular, the mass media pushed the class perspective persistently,<sup>6</sup> giving outsiders the impression that the PNDC government was an out-and-out socialist progressive regime. This is how such important early policy documents like the PNDC Policy Guidelines<sup>7</sup> acquired their "leftist" orientation.<sup>8</sup> During the early months of the new regime Flt-Lt. Rawlings, the sole embodiment of "the process" at this time, appeared in his speeches to support the position and perspectives of the socialist progressives. Thus on the very day of the takeover, i.e. 31st December, 1981, he announced that what he wanted was that "the people, the farmers, ... the workers (should) be part of the decision-making process of this country"; he wanted to create "an opening for real democracy. Government of the people, by the people, and for the people".<sup>9</sup> Real democracy entailed the substitution for parliamentary democracy of participatory democracy through Defence Committees of the people in towns and villages, and in all factories, offices and work-places and in barracks. Observers could be pardoned for thinking that unlike June 4, December 31 was going to be an authentic social revolution in which "the People" would take over at least political

power and use it to change the socio-economic structures.<sup>10</sup> This view was reinforced by what appeared to be the Flight-Lieutenant's new perception of the Armed Forces and the role of students. During this time, he held that the Army, Navy and Air Force were going to become the "People's Army", the "People's Navy" and the "People's Air Force" though he was careful enough to deny that the soldiers were out to eliminate the officer corps. He also recognized the "revolutionary potential of the students" and their "vanguard role in the social struggles of society", expressions culled from Marxist-Leninist literature. Moreover, this seemingly radical ideological stance appeared to be supported in the realm of practical policy. Thus in an attempt to reverse the liberalization policy of the Akufo/Limann period no less than 1,900 prices were listed under the price control policy in April, 1982<sup>11</sup> and the Policy Guidelines called for a fundamental break from the existing relations, "a radical change of the existing social, political and economic structures"<sup>12</sup> whilst labelling the initial stage of the 31 December process "the National Democratic Revolution".<sup>13</sup>

### Defining the Economic Path

There is no doubt, however, that the socialist progressives and the Chairman of the PNDC were on different ideological wavelengths, even in the initial stages. A close reading of his speeches at this time demonstrates that the Chairman had not abandoned the reformist, unrevolutionary attitudes of the "June" days: apart from a desire for revolution, he was also concerned to preserve privileges for the army and protection for the leaders of the June Fourth Uprising, to uphold the prestige of the country and to prevent economic mismanagement. More importantly, Flt-Lt. Rawlings displayed at this time a fundamental divergence from the socialist progressives in his perception of the economy. Whereas the progressives, like Third World Socialist progressives general-ly,

saw the economy of Ghana through neo-Marxist lenses and held the "World Capitalist System" responsible for the economic woes of the country, Flt-Lt. Rawlings rather attributed the economic woes of Ghana to a failure of domestic production, and even held that it was this failure that had thrown the country into the claws of powerful multi-national corporations, a view that was rather close to that of the Berg Report.<sup>14</sup> Hence the Flt-Lt., as Yao Graham has persuasively argued, never was ideologically opposed to "Capitalist" or World Bank/IMF SAPs and was never automatically on the side of Labour against "Capital"<sup>15</sup>.

It was partly because of the failure to distinguish populist from socialist rhetoric and partly because of the common opposition to corruption and injustice by various "leftist" groups in Ghana, such as the June Fourth and New Democratic Movements, People's Revolutionary League of Ghana, African Youth Command and the National Union of Ghana Students, as well as by the PNDC<sup>16</sup>, that it took some two years for the divergence of view to become clear beyond doubt to most political actors<sup>17</sup> and even when it became clear many were those who saw "u-turns" and "treachery" in PNDC behaviour.<sup>18</sup> This was again partly due to the fact that politically the PNDC's populism and criticism of representative democracy could easily be mistaken for socialist radicalism.

The budget of April 1983 put the economic perceptions of the PNDC beyond any shadow of doubt, and it hit the remnants of the socialist progressives still with the PNDC after the departure of the Chris Atims and the Akata Pores with the force of a trauma. The self-deception was ripped off, and the economic thinking of the regime became too stark to be mistaken ever again. The PNDC has not flinched from the consequences of the 1983 budget; with every budget since 1983 Ghana has become more and more orthodox in its implementation of the Bank/IMF Structural Adjustment Programme. From the very beginning of what may be called without exaggeration

the "New Economic Policy" the path to be followed was unmistakably set out. The Economic Recovery Programme (ERP) envisaged three main phases, that is, (i) stabilization, (ii) rehabilitation and (iii) liberalization and growth. The stabilization phase, which lasted one year, aimed at stimulating aggregate domestic supply through re-alignment of relative prices in favour of the productive sectors of the economy and the instrumentalities used were reform of the exchange rate system, relaxation of price controls and removal of subsidies. The rehabilitation phase (1984-85) targeted improved capacity utilization through provision of essential raw materials, spare parts and other inputs to the transport and manufacturing sectors. The third phase of liberalization and growth (1985/86) focused on the elimination of the regime of trade and payments controls through the instrumentalities of exchange rate, price and incomes, and monetary and fiscal policies.

In following the IMF/World Bank prescriptions faithfully ERP-I aimed at creating the conditions for the economy to absorb foreign capital, and in this the PNDC was not disappointed. The IMF approved a stand-by arrangement for SDR 238.5 million and SDR 120.5 million under the Compensatory Financing Facility in 1983, and a second stand-by arrangement for SDR 180 million was approved in 1984. These were complemented with two IDA credits: a Reconstruction Import Credit of \$40 million in 1983 and an Export Rehabilitation Project of \$93 million in 1984.<sup>19</sup> The ERP-I was also expected to lay the foundation of a self-reliant and integrated national economy, though only a medium-term plan,<sup>20</sup> and it made no attempt at structural transformation of the economy.<sup>21</sup>

Between 1987 and 1990 two Structural Adjustment Programmes (SAPs) were implemented. SAP-I, implemented in 1987-89 had the "general aim" of laying "a firm base for sustainable self-reliant growth and long-term balance of payments viability", and these were to be achieved through providing an incentive framework which could

stimulate growth to around 5% per annum, encouraging substantial savings and investments, improving resource use in the public sector, ensuring fiscal and monetary stability, strengthening the balance of payments and implementing a Programme of Actions to Mitigate the Social Costs of Adjustments (PAMSCAD). SAP-II (1989-90) aimed at the continuation of macro-economic reforms, implementation of key sectoral strategies to facilitate private investment and production, and financial sector reforms.

The results of ERP-I were such as would gladden the hearts of any orthodox economist and excite the scepticism of socialist progressives. ERP-I no doubt helped to induce growth in the economy. Before the introduction of ERP-I in 1983 the GNP had been declining at an average rate of 4 percent per annum, but after its introduction the decline was reversed to an average annual growth of the order of 5 per cent.<sup>22</sup>

Thus it can be said that from the very beginning of the 31 December process PNDC policy in the economic sphere has been fundamentally clear and consistent; it never was radical, let alone socialist, though in the period of militancy (i.e. until October-November 1982) it could be said to be somewhat statist. The contradictory ideological perceptions revealed in such early policy documents as the Revised Budget Statement of May 1982 and the PNDC's Programme for Reconstruction and Development of December 1982 were due to the penetration of the policy machinery by socialist progressives who had persuaded themselves either that the December 31 takeover was an authentic socialist takeover or that it had created an opening for "the great progressive camp of the oppressed people of this country (the working class, the mass of the peasantry, teachers, nurses, middle level personnel, petty traders et al.) and their allies from the socialist countries and other progressive regimes and popular forces in Africa and the rest of the World".<sup>23</sup>

### The Political Kingdom

The claim of clarity and consistency cannot be applied to the political sphere of PNDC policy, ideology or concrete decisions. Ironically whilst in 1982 the economic signals seemed ideologically confused, thanks mainly to the misperception of the PNDC's stance by the socialist progressives, there appeared to be agreement and consistency on policy towards the political system. Flt-Lt. Rawlings seemed determined at that time to uproot the old political system. In the early months he repeatedly maintained that the military had only taken over to open up the political system so that the people, the farmers, the public, the soldiers, the workers et al could decide the future direction of the country; be part of the decision-making process and defend the wealth of the country.<sup>24</sup> He appeared to repudiate liberal democracy with his call for the formation of Defence Committees not only as the vehicles for the exercise of the new people's power but also as a means of creating an opening for "real democracy". By this he meant that through the Defence Committees participatory democracy would replace parliamentary democracy, and in response Defence Committees sprang up in towns, villages, factories, offices, work places and barracks to defend "the revolution" and the "democratic rights of the people".<sup>25</sup> All of this suggested, particularly to the credulous who could not see the discrepancy between theory and practice in economic policy, that unlike "June 4th", "December 31st" was to be an authentic revolution in which "the People" of Ghana would at last take over at least political power and use it to change the socio-economic structures.<sup>26</sup> From this time until the end of the year the Defence Committees may be said to have taken over the revolutionary process. Under the supervision of the Interim National Co-ordinating Council (INCC) they subjected existing structures of authority, officials and other persons to abuse and

harassment. Persons in authority were barred from membership of Defence Committees which, believing that power had been transferred to the "common people," unleashed a veritable reign of terror against those excluded from their membership and generally people of high social status and business position quite a number of whom were removed from their positions by direct action without due process.<sup>27</sup>

These acts by the Defence Committees were supplemented with military violence directed at the common people in villages, towns and cities<sup>28</sup>. It was this atmosphere of revolutionary violence that facilitated the murder of High Court Judges and an ex-military Officer in June, 1982. But nothing came out of Flt. Lt. Rawlings' new perception of the Army, the Navy and the Air Force as the "People's Army", "the People's Navy" and "the People's Air Force"<sup>29</sup> or out of his recognition of the "revolutionary potential" of the students and their "vanguard role" in the social struggles of the society. Nor did any lasting consequences flow from the 1900 prices which were listed under the price control policy during the period, or from the Policy Guidelines calling for a fundamental break with existing political, economic and social relations.<sup>30</sup>

Whereas the revolt of October 1982 and the attempted coup of November enabled the PNDC to pursue more clearly the economic policy on which it was already set, politically it was a Damascus vision for Flt-Lt. Rawlings; he suddenly realized that he was politically not on the same wavelength with the socialist progressives, that he had been playing a dangerous game with them and he set out distancing himself explicitly from them; he made it clear that his radicalism was a non-Marxist one. In a number of speeches he made it clear that the Defence Committees were not seen by him as "the vanguard of the revolution"; the defence of the community or the workplace was the responsibility of all who were part of the community/workplace and not only of the Defence Committees or the



popular organs, he maintained. The work of the popular organs and the Defence Committees was therefore declared open to all Ghanaians. These bodies were warned to build on the experiences of the people and not out of "abstract ideological bombardment".<sup>31</sup> The revolution was for all and must be defended by all. The membership of the NDC, which was dominated by the "left"<sup>32</sup> was dissolved, as was its secretariat.

These views were expressed and action taken in mid-December, 1982, and it is instructive to recall that only in the previous month Flt-Lt. Rawlings had described the Defence Committees as "mass organs of the oppressed sections of society", organs through which the oppressed must organize and educate themselves and mobilize the people to destroy oppressive power relations and institutions....<sup>33</sup>

Before then management had been warned to keep off workplace Defence Committees<sup>34</sup> as were chiefs and other non-disadvantaged citizens to keep off Community Defence Committees. All this suggests that the events of October and November, 1982, helped to distinguish Rawlings' old-style, pre-Marxist radicalism from the neo-Marxist radicalism of the socialist progressives which, as usual, emphasized class interpretations of events.

After the October-1982 events, the Defence Committees' activities did not abate even as the Chairman of the PNDC went about distancing himself from them. Indeed in mid November, 1982 they were described as being in many instances "instruments of terror, division and antagonism in (the) society" in a rapidly deteriorating economic atmosphere. Moreover some where also said by this time to be "a haven of corruption, extortion and callousness".<sup>35</sup>

The explicitly non-Marxist perceptions of Flt-Lt. Rawlings were more fully set out in PNDC Law 42 enacted at the end of the year the first section of which was entitled "the Directive Principles of State Policy" and which was passed to lay down "the basic framework for the exercise of all powers of Government". The

Principles of State Policy as laid down here suggest (quite correctly) that the "revolutionary" path followed from the very beginning had little truck with Marxist revolutionary concepts. The Directive Principles hold the basic aim of "the process" to be social justice and equality of opportunity with particular attention to disadvantaged groups. They also emphasize national integration and encourage the spirit of loyalty to Ghana, overriding sectional, ethnic and "other loyalties".<sup>36</sup> Thus at the end of 1982 the Directive Principles expurgated the class perspective from the regimes' analysis of political struggles, thus making it clear that it feels more comfortable in the company of Tom Paine than in that of Karl Marx. On the economic side, the principles of state policy are much more concerned with the proper management of the inherited economy than with transforming it. Thus the Principles bring political perceptions of the regime clearly in line with its economic perceptions: both are non-Marxist but radical. On the economic side indeed the Directive Principles further clarify the position, however indirectly, of the PNDC. In the first place the Principles show no interest in the usual Third-World Marxist concern with the dependence of the economy on "the world capitalist economy" and how this leads to injustice for the country and especially its "working people". Rather than do this, the Directive Principles concern themselves with the proper management of the inherited economy. They suggest this is how the welfare and happiness of the people can be secured.<sup>37</sup> In a somewhat confused move the NDC was made responsible for the development and propagation of the principles of state policy whilst the National Commission for Democracy, (NCD), no home for socialist progressives, as will be shown below, was given the responsibility of promoting "awareness of the objectives of the revolutionary transformation of the country."<sup>38</sup>

The role of the NCD illustrates the political uncertainty of

the PNDC as it has tried to chart its political course. It was set up by the original proclamation that established the PNDC itself early in 1982 and was charged with the responsibility, inter alia, of establishing a "true democracy" in the country.<sup>39</sup> However the Decree set the NCD up in law only. Until 1984 there was no administrative structure on the ground that could be called "the National Commission on Democracy" but consultations were taking place with groups about the membership and work of the NCD and in November 1984 the membership was constituted under the Chairmanship of the man widely regarded as the Vice-Chairman of the PNDC, Mr. Justice Annan. But the first definitive public act of the NCD was the launching of the "Blue Book" which set out the structure of the District Political Authorities to be set up<sup>40</sup>, and it was well after a year later that PNDC Law 208, 1988, actually set up the Commission and provided it with a Constitution - and this after the NCD had started establishing Districts and organizing District level elections with the publication of the "Blue Book" in July, 1987.

With the setting up of the NCD one had every right to expect that the concrete shape of the participatory democracy that was going to replace the old-style representative democracy would begin to emerge. But the publication of the "Blue Book" put paid to any such expectation and indeed indicated that fundamentally the political ideology of the PNDC was, if anything, less radical than the economic. In 1982 the PNDC decentralization plan was aimed at creating "a new kind of democracy that (would) bring about greater efficiency and productivity in the state machinery through the involvement of the people at all levels". But this was to be done in such a way that the new local government set up would be fused with "the developing organs of the people's power organized into defence committees". The People's Defence Committees were to be the "base organizations" responsible for the day-to-day administration of the hierarchy of local government councils, and nominations of

people for election were to be the responsibility of the "popular organs"<sup>41</sup>. At the very least this was going to be recognizably different from the well-known and radical enough to be possibly accepted by the socialist revolutionaries as an "organ of popular revolutionary power".<sup>42</sup> The Blue Book however negated each of the these fundamental positions of the Decentralization Plan. Instead of the popular organs being responsible for day-to-day administration, "decentralized political and administrative authorities with elected representatives of the people" were to be "the bodies exercising state power as the people's local-government (sic)".<sup>43</sup> And far from nominations for elections into the District Political Authorities being the responsibility of the popular organs/Defence Committees, the "Blue Book" forbade any "organization" to nominate a candidate for election into a District Political Authority.<sup>44</sup> Lastly the new local government structure was not in any way to be fused with the popular organs. Rather the new structure itself was declared by the "Blue Book" to be, as pointed out already, "the people's local government", an instrument for advancing participatory democracy.<sup>45</sup> All this, from an institution charged with the responsibility of disseminating "awareness of the objectives of the revolutionary transformation of the society being embarked upon by the Council in the interest of real democracy".<sup>46</sup>

The take-over of 31 December 1981 was the work of other ranks and some junior officers supported by all classes of society; it did not rest on any particular social force.<sup>47</sup> The Defence Committees were called into being to provide for such a force to be "the bedrock of the new democracy"<sup>48</sup> and the outlines of the Decentralization Plan held out the hope that it would, working through the Defence Committee provide the organizational framework for mobilizing "the deprived sections of the community" in support of the regime. But with the modalities for District-level elections now in place,<sup>49</sup> and with the ban on all other groups also still in

place, it was no longer possible for the regime to mobilize any social force in its support either through the Defence Committees or the District Assemblies. The NCD had carried out a pacific coup!

As the name suggests, the District Political Authority and Modalities for District Level Election dealt with District administration and District political reform. This was seen as a means of democratizing state power and advancing "participatory democracy". The "Blue Book" noted that to achieve this, it was necessary to decentralize political and administrative institutions. The point here is that it was not enough to set up District political authorities; to achieve participatory democracy it was also necessary that the national administration be decentralized, sending down to the Districts real powers of decision-making in which the people could participate. This aspect of the exercise of decentralization however has been going on since 1982 without making much head way, thus emphasizing the continued powerlessness of the masses to affect vital state policy.

The first PNDC document definitely committing the PNDC to decentralization was issued on 2 December 1982,<sup>50</sup> though hints were given in some of the very early documents.<sup>51</sup> These documents, however, only committed the regime to the policy of decentralization. The document that came closest to laying down a concrete structure confined itself mainly to the sub-national levels, saying that decentralization and popular participation were to be achieved by fusion of all governmental agencies in any given District or Region into one administrative unit "through (a) process of institutional integration, manpower absorption, composite budgeting and provision of funds for the decentralized services".<sup>52</sup>

Armed with these two policy statements the PNDC's Committee of Secretaries (COS) established in September 1983 the Public Administration Restructuring and Decentralization Implementation Committee (PARDIC) "following preparatory work by a number of

Committees in furtherance of the implementation of the decision and commitment of the PNDC to decentralize national administration"<sup>53</sup>. Essentially the task of PARDIC was to work out modalities for implementing decisions already taken by the PNDC on decentralization and to assist with actual implementation.<sup>54</sup> In the course of 1982 at least five committees had been appointed to examine various aspects of the restructuring of the Public Administration System (PAS), including decentralization.<sup>55</sup> These Committees were more or less bureaucratic Committees, which did not issue public reports, and government did not commit itself in a public document to any concrete scheme of decentralization recommended by them. Consequently PARDIC in reality had no scheme for whose implementation it had to work out the "modalities" even though the reports of the three most important of the Committees, the Kyiama, Kuffour and Sackey Committees, had been discussed at seminars at the Ghana Institute of Management and Public Administration (GIMPA) on August 13 and 14, 1982; PARDIC had to go over the ad-hoc reports of the 1982 committees and equally ad-hoc approvals by COS and PNDC to tease a structure out of a mass of decisions for implementation.<sup>56</sup> This impossible task has been an albatross around the neck of PARDIC ever since. Like the 1982 Committees, PARDIC has not, to date, been able to produce a public report to which government can publicly re-act; a team has produced a Draft Consolidated Report on its work, consolidating a number of working and ad-hoc reports, and these have been subjected to examination in at least five drafts of another report by another team revising the Draft Consolidated Report.<sup>57</sup> It is indeed not clear whether PARDIC is still in existence or not.

It is noteworthy that the work done by PARDIC is related primarily to the restructuring of the central government at Accra, that is, restructuring of Ministerial Organizations and restructuring of district administration; very little has been done

about decentralization of governmental power as such. The Asamoia Committee on the Implementation of the Decentralization of National Administration appointed in August 1982 to work out an Action Plan for implementing the Government's decentralization programme did indeed produce such a plan comprising eighteen activities of a Work Programme<sup>5 8</sup> which proved highly unrealistic in the light of Government's priorities.<sup>5 9</sup>

To date, the position vis-a-vis decentralization is that the PNDC has not committed itself in any authoritative public document, such as a White Paper, let alone a Law, to a concrete scheme of decentralization which can be held to be binding on public servants at the sub-national and District levels except in the case of the Ministry of Health which is bound to decentralize under PNDCL 209. Consequently civil servants in the Districts do not normally consider themselves bound by all the decentralization rhetoric in Accra and elsewhere by the Secretary for Local Government, and most of the officials even in the "decentralized" Departments continue to relate to Accra in the old way. This was illustrated by an interview with a Public Health Nurse involved in the Primary Health Care (PHC) Programme in Akwapim North District about forty kilometers to the North of Accra in July 1991.

Having said that there was a District Health Management Team responsible for implementing programmes and projects in the Districts, the Public Health Nurse was asked who initiated or formulated the programme. She said it was within the framework of the National Health Policy of the Government and that "it involves everything pertaining to health" in the District. The interview continued:-

Q: Who is the implementing authority?

A: The Districts and Localities are supposed to implement them. But the National Headquarters (the Ministry of Health) gives the directives to the Regional and then

it(sic)is passed on to the District for implementation.

Q. Where do you get essential inputs/resources?

A. The necessary inputs are supplied by the Regional Headquarters which obtains them from the National Headquarters for allocation to the Districts.

Q. Who funds the programmes?

A. Funds are allocated by the National Headquarters to the Regions and then to the Districts. Sometimes the District Assemblies assist (Emphasis added).

Q. Once a programme has been initiated can you go on without the intervention of the National Headquarters?

A. The role of the National Headquarters is critical and necessary for the successful implementation of any programme at the District level (Emphasis added).

Q. What are the obstacles to the successful implementation of programmes at the District level?

A. In fact the most critical is logistical support. This must come from the Headquarters in Accra and hence when they are not forthcoming we have to wait(Emphasis added). Sometimes the funds added are woefully inadequate for the area.

Q. In the circumstances will you say the Health Services delivery system has been decentralized?

A. On paper it is supposed to be so. But since we are not autonomous financially it is only mythical to say the Ministry of Health is decentralized.

The picture of the Ministry of Health that emerges is significant in that, PNDCL 209 apart, the Ministry was designated a Model Ministry for purposes of restructuring and decentralization in June 1988, the third Ministry to be so designated.<sup>60</sup> By the end of July, 1991 when the above interview in respect of the Ministry of Health was conducted, fieldwork carried out in the Ga-Adangbe



east District about seventy kilometers to the east of Accra suggested that decentralization in the Ministry of Agriculture (another of the Model Ministries for decentralization) had gone only a little further than in the Ministry of Health. An interview with the Ga-Adangbe East District Technical Officer (Crop Service) went as follows. Asked who initiates projects at the District level he replied:

A. All projects are initiated by the Regional Headquarters as government directives (with) which we must of necessity comply.

Q. When programmes have been initiated who is responsible for implementation and monitoring?

A. The Regional monitors, but somehow implementation is done at the District level.

Q. How come the District is unable to implement some projects to their successful completion?

A. In most cases certain inputs/resources need to come from the National Headquarters through the Regional to the District. When these are not forthcoming, the District is handicapped. At the moment there is no vehicle at the District to go round to inspect the numerous programmes. This is a major handicap.

Q. Where do you get your salaries?

A. We are supposed to be paid at the District level, but the District Treasury has to wait for the money to come from Accra through the Regional level. This is very embarrassing because funds are not allocated directly to the District Treasury.

Q. Who supplies the necessary inputs for projects in the District?

A. The Regional Headquarters supplies some. Some NGOs like World Vision International also do assist. However most

farmers have to provide a major part of their requirements, since if they wait they could be eventually disappointed.

Q. Supposing there is a breakdown of equipment, who is responsible for maintenance?

A. For the little that comes from the Regional Headquarters the responsibility lies with the Regional Headquarters which receives reports from the District. Until they come we have to wait. However since most farmers have to rely on themselves it scarcely poses a problem to us.

Q. What part does the District Assembly play in the implementation of your programmes?

A. The District Assembly's role is minimal. At occasions such as festivals (the Farmers Day, for example) when we call on them they might release a vehicle to us for the purpose.

Q. Do you of necessity have to report to the District Secretary or District Administrative Officer?

A. Information is related to the District Assembly, but this is not mandatory. Actual reports are to be sent to the Regional for onward transmission to the National Headquarters.

Indeed half yearly reports from the District Crops Services Department are sent to the Regional Crop Services Officer in Accra and only copied to the District Secretary for information.<sup>61</sup> Field investigation in Atwima District in Western Ashanti has confirmed that the decentralization exercise is not being seriously implemented. In this District all the Heads of the three most important of the so-called decentralized Ministries i.e. Health, Agriculture and Education (GES) maintained that either the exercise was taking place only in theory or was ineffective or, that there was a deliberate attempt by the centre not to transfer power and

authority.<sup>62</sup>

### The Interaction

The failure to institute any real participatory democracy has impinged on economic policy-making in a fundamental way. By almost universal admission particularly in the West<sup>63</sup>, the ERP, judging by macro-economic indices, has been a remarkable success. Inflation, which was well above 100% in 1983, has been consistently below 40% since then; the government deficit has also been eliminated; the parallel foreign exchange market has been virtually eliminated; and the economic infrastructure has been largely restored. The micro-economic side, however, has been much less satisfactory; and it is on this that hinges any real "development", where the effect of the ERP on the lives of the people can be judged.

The ERP did not at the outset take into account incomes policy and hence its effect was highly regressive.<sup>64</sup> Indeed in the Structural Adjustment phase of the ERP, beginning in 1987 the regime focused on the elimination of "redundancies" in the Public Services to reinforce the macro-economic successes. The regime adopted a two-pronged attack: redeployment, and elimination of distortions in government wages and salaries. It dismissed respectively 12,100, 12,100 and 12,849 as well as 7,789 workers in 1987, 1988, 1989 and 1990 from the payroll<sup>65</sup>. This, in spite of the fact that wages and salaries were already repressed. The Prices and Incomes Board had virtually become only an Incomes Board, so that by 1986 the minimum wage was only 36% of the 1970 level, and in any case the real GDP per capita had not, even by 1988, climbed back to the 1981 level though some progress had been made. In simple terms the general standard of living had not climbed back to the 1983 level five years after the launching of the medium-term ERP. This is evidenced for example by the record of life expectancy. Life expectancy at

birth inched its way from 53 years in 1984 to 55 years in 1989, the average of developing countries other than India and China and not much better than Liberia, Togo and Ivory Coast in West Africa with respectively 54, 54 and 53 years<sup>66</sup>. In education further modest achievements had been made overall. At the primary level 73% of the relevant age group in 1988 were enrolled in school compared with 69% as far back as 1965 and 39% at the secondary level in 1988 as compared with 13% in 1965.<sup>67</sup> These statistics suggest that whereas the disadvantaged groups had not made much headway on the educational front by 1988, the better-off had improved their position further.

This was also true of trends in infant and child mortality. The Ghana Demographic and Health Survey 1988 reveals that since the late 1970s the situation with infant and child mortality has been deteriorating especially for disadvantaged people. Whereas infant mortality has been on the decline since the late '70s the rate of decline dropped after the introduction of the ERP from 14% as between the five year periods 1973/77-1978/82 to 10.04% for the two periods 1978/82-1983/87. In the case of child mortality there was an actual increase, the relative figures being a decrease of 25.77% for 1973/77-1978/1982 and an increase of 16.67% for 1978/82-1982/87, a massive positive shift of more than 40%. Under five mortality also moved from a decrease in 1978-82 period to an increase in 1983-87. In the case of child mortality over the whole period of 1978-87 the contrast between parents with no formal education and those with education higher than primary was a staggering 95.2/22.2 per thousand! For both infant and child mortality the contrast was 174.6 and 99.5.<sup>68</sup> That these figures represent a sorry state of affairs for the under-privileged was substantiated by the Poverty Profile for Ghana in 1987-88. This study points out that education, literacy and numeracy rates were significantly higher for the non-poor than for the poor, as are school attendance rates across the

various age groups in 1987-88. Indeed the Profile gives a grim picture of poverty in Ghana four to five years after the ERP was introduced, not much better than other African countries, and yet the ERP was expected to be a medium-term programme. Poverty still remains a primarily rural phenomenon, irrespective of indices of poverty used.<sup>69</sup> Over 43% of rural inhabitants are below a poverty line that cuts off 36% of all Ghanaians compared with 27% of non-Accra urban residents and only 4% of Accra residents. "The incidence of poverty in rural areas is more than eleven times the incidence in Accra, and the depth of the incidence is also greatest in the rural areas."<sup>70</sup> These social consequences largely account for the launching of Social Dimensions Project in 1987 in partnership with the UNDP and African Development Bank.<sup>71</sup>

### The Future on the Past

At long last in October 1986, popular organs represented by the African Youth Command (AYC), Kwame Nkrumah Revolutionary Guards (KNRG) and the New Democratic Movement (NDM) made a public demand for "the active and full participation of all patriotic Ghanaians" in the political process. The popular organs, in other words, were tired of being merely manipulated by the regime and wanted real participation in the political process. The PNDC's answer to this demand was to detain leaders of these organizations in May 1987 for "anti-PNDC activities".<sup>72</sup> But the challenge by the popular organs was only a public expression of a general ferment, not only felt by the "deprived" sections of the population.

In 1988 Prof. Adu Boahen delivered his Academy lectures on the contemporary history of Ghana, and in this for the first time since the PNDC came to power a citizen publicly challenged the PNDC interpretation of the country's contemporary politics. He maintained that the PNDC's rule was not rooted in popular support and that the regime was authoritarian.<sup>73</sup> After the lectures

during which the reaction of the audience demonstrated general agreement with his views, Prof. Adu Boahen started organizing opposition to the government and, not unexpectedly, the groups that readily associated themselves with him in this exercise were from the popular organs. He then formed the Movement for Freedom and Justice to co-ordinate and bring opposition to the government into the open and force it to return power to the electorate. By this time the government's position on return to constitutional government had not changed since Flt-Lt. Rawlings asked in 1982 to whom the PNDC could hand over. The "Blue Book" had declared in July 1987 that the establishment of the District Assemblies was "an important step in the PNDC's programme of evolving national political authority through democratic process (sic)"<sup>74</sup> and on the basis of this it was generally believed at the time of the District Assembly elections that these elections were only the first of a series to produce regional and then national representative bodies.

However after what has been called "dubious" District elections<sup>75</sup> nothing was heard of the subsequent elections. It seems the PNDC had no intentions of taking any further steps in an "evolving democratic process" until the pressure, both internal and external, had piled up. There can be little doubt that it was principally these pressures, especially the dramatic execution of Ceacescu of Rumania, at the end of 1989 and democratic revolt in West and Central Africa that pushed the NCD, together with the Ministries of Local Government and Information to mount the regional seminars on "District Assemblies and the Evolving Democratic Process" which began on 5 July, 1990<sup>76</sup> (after only four days' warning!) whilst the public was still in the dark about the character of the democratic process which was said to be evolving. The institution of the seminars however was shrouded in uncertainty; no one seemed to know where all this would lead, for the specific purpose of the seminar was to ask the public what should be the next step after the

District Assemblies - over one year after the District Assemblies had already started working!'' And in any case the seminars turned out to be more of fairs for celebrating the PNDC's views on the future constitution than a genuine examination of the constitutional and political needs of the country to the extent that even the views the PNDC had been forced to abandon (e.g. on the no-party system) were rehearsed by representatives and partisans of the government on the seminar platforms. The regional seminars ended early in November 1990 and the next step was that during the Flt-Lt's New Year Broadcast he gave the NCD up to March to come up with a report that would enable the PNDC to convene a Consultative Assembly to discuss the future constitution. There were still no concrete features of the putative programme. Beyond saying that the consultative body would be broad-based there was no specificity to the "programme", no definite steps to the realization of the new constitution except saying that the Consultative Assembly would have to submit its finished product by 31 December, 1991, a referendum to be organized some time in February 1992 and parliamentary and Presidential elections by the last quarter of 1992.

By the time the Consultative Assembly was summoned August had almost ended and there was but little doubt that it could not finish its work by the end of the year. The uncertainty was increased by the NAM (Non-Aligned Movement) Conference in the first week of September, and, as expected, the Consultative Assembly could not finish its work before the end of 1991. According to the Chairman of the PNDC, however, this delay has only occasioned minor changes in the programme. However, in view of the refusal of the regime to repeal laws which hamper the free expression of opinion and hinder freedom of association (i.e. PNDCL 4 Preventive Custody Law, under which people can be and many have been imprisoned without trial; PNDCL 78, permitting the execution of political offenders, PNDCL 91 and PNDC Law 211). Meanwhile the regime's spokesmen and

activists are busy using public resources for political campaigns, in a situation where the old ERP remedies are becoming increasingly ineffective and government is giving a new lease of life to authoritarianism with detentions of prominent citizens for "investigations". It seems highly likely that the immediate future in Ghana politics will be a repeat of the early years of the regime, when the PNDC and its revolutionary organs felt free both to resort to economic policies that entailed immense social costs for the disadvantaged even as it disseminated revolutionary rhetoric and unleashed revolutionary violence against those who would not come to heel. In that likely event, the future of the PNDC political economy would be the best clue to its past.



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- 1 See for example, E. Babatope Ghana Revolution from Nkrumah to Jerry Rawlings (Enugu: Fourth Dimension Press, 1982) and Barbara Okeke, 4 June: A Revolution Betrayed (Enugu: Ikenga Publishers, 1982) see also Kwame Ninsin, "Ghanaian Politics after 1981. Revolution or Evolution? (Canadian Journal of African Studies Vol.21 No.1).
- 2 Jerry John Rawlings, Revolutionary Journey: Selected Speeches of Flt-Lt. Rawlings, Chairman of the PNDC Dec. 31st 1981-Dec.31st 1982, Vol. one, pt.1, p.1.
- 3 The term "Socialist progressives" refers to such organizations as the June Fourth Movement, the New Democratic Movement, the People's Revolutionary League of Ghana, The Kwame Nkrumah Revolutionary Guards and the Pan-African Youth Movement and to such individuals as Ebenezer Babatope. These label themselves as "progressives", and their standpoint is that of dependency theory rooted in Marxism. See for example Basis and Areas for Co-operation for Progressive Organizations in Ghana issued by Joint Consultative Committee of Progressive Organizations (Mimeo, March 30, 1982). See also E. Babatope, op.cit.
- 4 See paper, "Basis and Areas for Co-operation for Progressive Organizations in Ghana" op.cit. See also NDM Position Paper, "Basis, Nature and Forms of Cooperation Among Progressive Organizations in the Present Period"(mimeo, February, 1982).
- 5 "Basis and Areas for Co-operation ....." All quotes up to this point are from this document.
- 6 This was best depicted by a programme on Ghana Radio which urged: "Ghana People, Ghana People let we (sic) get up, let we fart (fight) for our rats (rights). We no go sit down let them cheat we (sic) everyday". The voice was no doubt that of an educated man striving to imitate the diction and

grammar of an uneducated worker. Later when the economy had deteriorated to the stage where workers were carted to work standing in cargo trucks, the common people used to shout jocularly in the streets of the capital "we no go sit down" as the trucks passed by.

- 7 See Policy Guidelines of the Provisional National Defence Council (Ghana Information Services, May, 1982 Passim).
- 8 Draft Consolidated Report on the Work Done by the Public Administration Restructuring and Decentralization and Implementation Committee (PARDIC) (mimeo, March 1990) prepared by A Team led by B.C. Eghan. pp. 17-18.
- 9 A Revolutionary Journey.
- 10 See Kwame Ninsin op. cit.
- 11 M.M. Huq, The Economy of Ghana (Macmillan, 1989) p. 219.
- 12 The Policy Guidelines pp.4 and 5. It would be curious for a government document reflecting government policy to call for a restructuring of the economy instead of pronouncing the policy.
- 13 Ibid. p.5.
- 14 See Accelerated Development in Sub-Saharan Africa, An Agenda for Action (Washington D.C. 1981).
- 15 See Yao Graham "from GTP to Assene: Aspects of Industrial Working Class Struggles 1982-1986" in Emmanuel Hansen and Kwame A. Ninsin (eds.) The State, Development and Politics in Ghana (Codesria, 1989).
- 16 Kwame Ninsin, op. cit. p.19.
- 17 The emergence is best traced by Yao Graham, op. cit.
- 18 See for example Don Robothan, "The Ghana Problem" in Labour, Capital and Society 21:1 (April, 1988) and Zaya Yeebo "Ghana: Defence Committees and Class Struggle", ROAPE 32, 1985, p.64 where this one - time Secretary of State in the PNDC maintains that since the events of the second half of 1982 the PNDC had

- "urned its back on its origins, initial objectives, and social base, and invalidated all possibilities of a genuine revolutionary transformation". Also Onyema Ogochukwu, "Ghana, the lost revolution", West Africa 25, Feb. 1985, p.64.
- 19 For the figures see K.G. Folson, "Structural Adjustment in Ghana", Ch. 5 of Alternative Strategies for Africa, Vol.3, Debt and Democracy (London: Institute of African Alternatives, 1991) pp.101-102 and The Economic Recovery Programme 1984-86, (ERP)(Accra, Government of Ghana Nov. 1984, Overview par. 6.)
  - 20 See PNDC's Programme for Reconstruction and Development (Information Services Dept., Dec. 30, 1982).
  - 21 See Fitzgerald Francis, "Structural Adjustment in Africa: Theoretical and Practical Issues", paper presented at the International Conference on Planning for Growth and Development in Africa, Legon, 13-17 March, 1989 pp. 1-3.
  - 22 Quarterly Digest of Statistics (Accra, Dec. 1988) Table 74- Gross National Product. It is to be noted that other contributory factors were the weather (which made 1983 the worst year in a long time), the increase of the price of cocoa on the world market, the massive loans from the IMF from 1983 to 1985 and improvements in the economies of the industrialized countries.
  - 23 NDM position paper, "Basis, Nature and Forms of Cooperation Among Progressive Organisations in the Present Period" (op. cit.) and Joint Consultative Committee of Progressive Organizations, "Basis and Areas for Cooperation for Progressive Organizations in Ghana".
  - 24 Revolutionary Journey pp. 2,4 and 5-6.
  - 25 Ibid. p.8.
  - 26 Ibid. p.5.
  - 27 Agyeman Duah, "Ghana, 1982-6: The Politics of the PNDC", Journal of Modern African Studies Vol.25 No.4, Dec. 1987

p.620.

- 28 See, for example, the editorial of Daily Graphic of 17 Feb. 1982.
- 29 Revolutionary Journey p. 5.
- 30 See footnote (12) above.
- 31 Revolutionary Journey p. 84.
- 32 Kwame Ninsin, op.cit. p.23. The NDC appears to have been "dissolved" more than once.
- 33 See Yao Graham, "From G.T.P to Assene: Aspects of Industrial Working Class Struggles 1982-1986" in Hansen and Ninsin eds, The State, Development and Politics in Ghana (op.cit.) p.50.
- 34 Ibid.
- 35 See Statement on the State of the Nation (Nov. 11th, 1982) by Catholic Bishops' Conference of Ghana, Section entitled "The Situation".
- 36 PNDC Law 42 (1) (1) (b) and (d). "other loyalties" was a thinly veiled reference to class loyalties.
- 37 Ibid.
- 38 Ibid, 31(1)-40(3).
- 39 The Provisional National Defence Council (Establishment) Proclamation, 1981.
- 40 Interviews conducted at the NCD. See also J.J.'s Anniversary Broadcast for The Search for True Democracy in Ghana (Information Services) pp. 8ff. The "Blue Book" as the Popular name for District Political Authority and Modalities for District Level Elections for District Level Elections (Printed by Ghana Publishing Corporation, Printing Division), Assembly Press, Accra 1st July 1987).
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- 43 District Political Authorities. Section 1.4.
- 44 Ibid. Section 7.3.
- 45 Ibid. Section 1.4.
- 46 PNDC Law 42 Section 32.
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- 48 Revolutionary Journey, p.83.
- 49 See the "Blue Book" Section 7.3.
- 50 Outlines of the Decentralization Plan of the Provisional National Defence Council (Information Services Department, n.d.) See also Fifth Draft Report on the Review of the Draft Consolidated Report on the Work Done by the Public Administration Restructuring and Decentralization Implementation Committee (PARDIC) (March 1991). p.1.
- 51 Fifth Draft Report on the Review of the Draft Consolidated Report on the Work Done by the Public Administration Restructuring and Decentralization Implementation Committee (PARDIC) (Mimeo, March, 1991) p.1.
- 52 Decentralization in Ghana Information Services Department, April, 1983).
- 53 Draft Consolidated Report p.1. It is to be noted that PARDIC itself was a merger of some of the 1982 Committees.
- 54 Ibid.

- 55 Draft Consolidated Report pp. 70-71. These include (i) The Committee on Restructuring of Ministerial Organizations (Kaku Kyiama Committee), (ii) The Committee on the Decentralization of National Administration (Kuffour Committee) both appointed in March, 1982, (iii) the Committee on Restructuring of Ministerial Organizations (Sackey Committee) appointed in August 1982, (iv) Committee on the Decentralization of National Administration - Organizational Structures, and (v) Committee on the Formulation of Content of Socio-Economic Development Programmes for Decentralized National Administration. See Draft Consolidated Report on the Work Done by the Public Administration Restructuring and Decentralization Committee (PARDIC) (mimeo, March, 1990) p.17.
- 56 Draft Consolidated Report pp. 38-41. It is to be noted that PARDIC itself is/was a merger of some of the 1982 Committees.
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- 59 According to the Action Plan the Local Government Law should have been passed by mid-November, 1982; it was actually passed in November 1988. Again, the Ministry of Local Government should have been transformed into a Secretariat between November 8 and December 20, 1982; it is still the Ministry of Local Government! The decentralization exercise should have come to fruition in Sept. 1983; it is still on-going, *ibid*, p.1.
- 60 Draft Consolidated Report p.219. The Ministries of Agric., and Fuel and Power (later Energy) were respectively the first and the second.
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- 72 See "Ghana, Political Ferment", West Africa 25 May, 1987.
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