

INTERNATIONAL DEVELOPMENT RESEARCH CENTRE

COUNTRY PROFILE

G H A N A

*prepared
by G. Savage
I.D.R.C.*

005886

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GHANA

HISTORY

On the 6th of March, 1957, the Gold Coast became an independent State and was renamed Ghana after one of the ancient Sudan empires which flourished between the 4th and 10th centuries. The first contact with Europe was probably made by Portuguese navigators seeking gold, ivory and spices in the second half of the 15th century. Gold was obtained in the districts between the Ankobra and Volta Rivers. In 1482 the Portuguese built Elmina Castle as a permanent trading post. The trade in gold and slaves were so profitable that increasingly other European traders became interested - the Dutch, then the British, French, Danes, Swedes and Germans. By the middle of the 18th century, competition in the slave trade was raging all along the coast of West Africa. The forts and castles which still dot the Ghanian coastline are silent witness of an age of European exploitation. With the abolition of the slave trade, there was noticeable increase in missionary activities. "The paternalistic attitude of a civilizing mission aimed at converting and educating the people." By the middle of the 19th century, the missionaries had pushed inland and built schools and colleges whilst the various European governments remained somewhat indifferent. In 1872 the Danish and Dutch governments withdrew entirely from the country and Britain decided to convert it into a Crown Colony. As a result, the southern region of the country became a British Crown Colony. From this base in the South, the British became involved in a series of wars resulting in the final defeat and annexation of the Ashanti Empire in 1901. A Protectorate was declared over the northern territories in 1898 and in 1919 part of the former German protectorate of

Togoland became a "British mandated territory." After the Second World War, Togo became a "Trust Territory" of the United Nations under the United Kingdom Government supervision. The next step as far as the British were concerned was to govern this "artificial creation" by the introduction of the system of indirect rule which meant in practice the administration of the country by British officials and by predominantly illiterate chiefs to the total exclusion of the highly educated Ghanians. Ghana was in the forefront of colonial agitation for some measure of self-government since 1860. In 1868, the Fanti Confederation was formed to resist the Anglo-Dutch exchange of forts. In 1897 the Aborigines Rights Protection Society was also formed "aimed at the democratization of the colonial legislature and the eventual introduction of a government in which the Executive would not be responsible to the Governor but to the elected representatives of the Gold Coast's electorate." Then followed the West African Congress in 1917, the first inter-territorial political movement in the then-British West Africa, which advocated the granting of self-government so that the peoples of African descent should participate in the government of their own country. These movements did keep alive the political and nationalist demands but they did not achieve much nor did they become popular movements until the formation of the United Gold Coast Convention in 1947 under Dr. Danquah and the Convention Peoples Party in 1949 led by Dr. Nkrumah. The political agitation of the leaders of these parties was assisted by the grievances resulting from the Second World War. The end of the War led to the repatriation of thousands of the country's ex-servicemen who were "filled with new ideas of freedom and new aspirations observed overseas." Their disillusionment on their return caused primarily by lack of employment

opportunities and inadequate pensions made them "the storm troopers of these new parties." Equally, the propaganda of the United Nations with emphasis in particular on the principle of "self-determination of all nations" was another impetus. The last phase of this revolutionary process was completed when, on March 6th, 1957, the Gold Coast became the first of the British colonies in Africa to achieve independence under the new name of Ghana. Ghana subsequently became a sovereign unitary republic within the Commonwealth on July 1st, 1960.

Dr. Nkrumah's government was overthrown by a military coup on February 24, 1966, and the government - the National Liberation Council - was made up entirely of army and police officers led by Lt. General J. A. Ankrah. In the general elections in August 1969, a civilian government led by Dr. Kofi Busia, leader of the Progress Party, was returned to power. A new constitution was introduced with a non-executive president and a cabinet system of government. The civilian government was overthrown in another military coup on January 13th, 1972 led by Col. K. Acheampong.

AREA, CLIMATE AND POPULATION

Area - 92,100 square miles.

Ghana is situated between 3° 15' West Longitude and 1° 12' East Longitude. It is bounded on the north by the Republic of Upper Volta, on the West by the Republic of Ivory Coast and on the East by the Republic of Togo and on the South by the Atlantic Ocean.

Climate - Ghana has a tropical climate. There are two main seasons, the rainy and dry season. The rainy season is from May to September

and average annual rainfall - 80 inches. The dry season is between October and February. The southern part of Ghana is generally humid and relative humidity of between 90° and 100° are recorded on the coast during the night and early morning, and in the day the humidity falls reaching 75°. Inland the relative humidity is about 65 degrees but there are sharp changes depending on the weather.

There are four main types of vegetation - the high forest, the Savanna-woodland, coastal scrub and grassland. The high forest covers an area of about 25,000 square miles and encloses nearly the whole of the south-western part of the country.

Population

Population mid-1971: 8.86 million.

Main Cities

Capital - Accra	633,900
Kumasi	343,000
Sekondi-Takoradi	161,071
Tamale	98,818
Cape Coast	71,594
Tema	102,838
Bolgatanga	93,182
Koforidua	69,804
Sunyani	61,772
Ho	46,348

LANGUAGE AND RELIGION

The majority of Ghanians are Christians. According to the

1960 Census the distribution of religious groups were Christian 42.8%, traditional religions 38.2%, Muslims 12.0%, non-religion 7.0%. The official language is English. The main Ghanaian languages are Twi, Fanti, Ga, Ewe, Dagbari, Hausa and Nzima.

GOVERNMENT

In a bloodless coup d'état led by Colonel Acheampong on January 13th, 1972, the Ghana Armed Forces overthrew the Government of Dr. Kofi Busia. The National Redemption Council is in firm control of the country. the NRC rules by decrees which have the force of law throughout Ghana.

MEMBERS OF THE NATIONAL REDEMPTION COUNCIL

Head of State and Chairman of NRC: Colonel I.K. Acheampong

Members:

Brigadier N.Y.R. Ashley-Lassen

Brigadier Charles Beausoleil

Col. J.C. Adjeitey

Col. E.A. Erskine

Lt. Col. C.D. Benni

Major Kwame Baah

Major A.H. Selormey

Major K.B. Agbo

Major R.J. Felli

Mr. J.H. Cobbina

Mr. E.H. Moore

Commissioners:

Defence, Finance, Economic Planning and Public Relations:	Col. I.K. Acheampong
Agriculture:	Maj-General D.K. Addo
Education, Culture and Sports:	Lt. Col. P.K. Nkegbe
Foreign Affairs:	Maj-General N.A. Aferi
Health:	Col. J.C. Adjeitey
Industries:	Major K.B. Agbo
Internal Affairs:	Mr. J.H. Cobbina
Justice and Attourney-General:	Mr. E.N. Moore
Labour, Social Welfare and Co-operatives:	Major Kwame Asante
Lands and Mineral Resources:	Major R.M. Baah
Local Government:	Col. Victor Coker-Appiah
N.R.C. Affairs:	Lt. Col. C.D. Benni
Trade and Tourism:	Major R.J. Felli
Transport and Communications:	Major A.H. Selormey
Works and Housing:	Maj-General D.C.K. Amenu

POLITICAL PARTIES

Before the ban on political parties by the National Redemption Council, the following were the political parties in Ghana:

- Progressive Party
- Justice Party
- People's Action Party
- People's Popular Party

TRADE UNIONS

Ghana Trades Union Congress is an affiliation of 17 National

Unions, each of which is represented by its Chairman and Secretary in the Executive Board of GTUC.

LOCAL GOVERNMENT

For local government purposes, Ghana is divided into nine regions headed by a Regional Commissioner and each region is divided into districts headed by a District Officer. Local government is conducted along the lines of the British system of local government. The regions, districts and Regional Commissioners are given in Table I below.

<u>Regional Commissioner</u>	<u>Region</u>	<u>Districts</u>
Lt. Col. E.A. Baidoo	Ashanti	Kumasi, Bekwai, Obuasi, Tapa, Juaso, Offinso, Mampong
Commander J.A. Kyeremeh	Brong-Ahafo	Sunyani, Wenchi, Attebubu, Goaso, Dormaa, Ahenkro
Col. F.G. Bernasko	Central	Cape Coast, Dunkwa, Winneba, Saltpond
Col. E.O. Nyante	Eastern	Koforidua, Kiki, Oba, Mpraeso, Ada, Asamankese, Akosombo
Col. W.C.O. Acquaye	Northern Greater Accra	Accra, Tema, Ga-Shai
Col. P.K. Agyekum	Western	Secondi-Takoradi, Sefwi-Wiawso, Amenfi, Tarkwa, Axim, Bibiani, Enchi
Major P.K.D. Habadaa	Volta	Ho, Keta, Kpandu, Jasikan, Sogakafe, Kete-Krachi
Lt. Col. D.A. Iddisa	Northern	Yendi, Gambaga, Salaga, Tamale, Damongo
Lt. Col. G. Minyila	Upper	Tumu, Bawku, Wa, Navrongo, Bolgatanga

JUDICIARY

The civil and criminal laws in Ghana are based on the English criminal and civil laws and since amended at intervals. The Ghanaian customary law is also in force.

1. The Supreme Court of Ghana is the highest and final appellate court on both civil and criminal matters. It consists of the Chief Justice as President and not less than six other judges of the Supreme Court.
2. The Court of Appeal has jurisdiction to hear and determine appeals from any judgment, decree or order of the High Court.
3. The High Court has jurisdiction in all matters, civil and criminal from the lower Courts.
4. Circuit Court has jurisdiction with regard to the guardianship and custody of infants and original jurisdiction of criminal matters. It hears appeals from any district court situated within its circuit.
5. District Courts exercise jurisdiction throughout a district in civil and criminal matters.
6. Local Courts have jurisdiction in cases involving the mainly customary law.

ARMED FORCES

Army - The Army consists of six infantry battalions, one reconnaissance battalion with armoured cars and support units.

Personnel - 14,000.

Navy - The Navy consists of one Frigate, two Corvettes, one Coastal Minesweeper, two Inshore Minesweepers, two Seaward Defence Boats, three Patrol Boats, a Training Ship and a Maintenance Repair Craft.

Personnel - 1,100.

Air Force - The Airforce comprises eight Caribou, seven Otter and 11 Beaver planes, all Canadian built. One HS 125 Twin-Jet Light Transport; three Heron VIP Transport, seven Chipmunk Trainers; two Wessex and three Whirlwind Helicopters, British built, three Hughes 300 and seven H-19 American built Helicopters; five Aermacchi M.B. 326, armed jet trainers, Italian built. Personnel - 1,000.

EDUCATION

Education is compulsory and free for primary, secondary and technical schools. There were in 1969-70:

Primary Schools	39,292	1,382,059 pupils
Secondary Schools	105	49,182 pupils
Technical Institutes	11	7,249 students
Teacher Training Colleges	82	19,264 students

There are three Universities -

- (1) The University of Ghana
- (2) The University of Science and Technology and
- (3) University College of Cape Coast

UNIVERSITY OF GHANA

Vice-Chancellor: A.A. Kwapong

Deans:

Faculty of Agriculture:	Dr. S. La-Anyane
Faculty of Arts:	J.O. DeGraft-Hanson
Faculty of Law:	Prof. A.N.E. Amissah
Faculty of Science:	Dr. F.G.T. O'B. Torto
Faculty of Social Science:	Dr. K.B. Dickson
Faculty of Medicine:	Dr. S.R.A. Dodu

INSTITUTES

Institute of Adult Education:

Acting Director: Prof. K.A.B. Jones-Quartey

Institute of African Studies:

Director: J.H. Nkedia

Institute of Statistical,
Social and Economic Research,
(I.S.S.E.R.) Director:

Dr. C. O'Loughlin

School of Administration

Director: Dr. K.E. Adjai

1969/70:

Number of Professors and Lecturers	627
Students	2,501

UNIVERSITY OF SCIENCE AND TECHNOLOGY KUMASI

Vice-Chancellor: Dr. E. Evans - Anfom

Deans:

Faculty of Agriculture:	Prof. S. Sey
Faculty of Architecture:	Prof. R.L. Barclay
Faculty of Art:	Prof. E.V. Asihene
Faculty of Engineering	B. Kwakye
Faculty of Pharmacy:	Prof. A.N. Tackie
Faculty of Science:	Prof. F.A. Kufuor

1969/70:

Number of Professors and Lecturers	294
Students	1,458

UNIVERSITY COLLEGE OF CAPE COAST

Principal: Prof. E.A. Boareng

Deans:

Faculty of Arts:	Dr. F. Agbodeka
Faculty of Education:	Dr. N.O. Anim
Faculty of Science:	Dr. J.Y. Ewusie

1969/70:

Number of Professors and Lecturers	147
Students	800

RESEARCH INSTITUTES

Central Clinical Laboratory, P.O. Box 771 Accra.

Director: Dr. W.N. Laing

Research on tropical medicine and allied subjects.

Economic Society of Ghana, P.O. Box 22, Legon.

President: E.N. Afful

Ghana Meteorological Services Department, P.O. Box 87, Legon.

Director: F.A.A. Acquah

Ghana Science Association, University of Ghana, Legon.

President: Dr. A.J.E. Bucknor

HEALTH

There were (1971) 44 government hospitals, 49 health centres, 3 university hospitals, 2 mental hospitals, 4 leprosy hospitals, 6 military hospitals, 42 mission hospitals, 31 private hospitals and 40 health centres. There are also 11 nurses and midwives training schools.

Since 1968 the government has been building "Health Posts" providing basic health services in the rural areas. It is expected that by 1978 there will be over 250 health posts throughout Ghana.

INFORMATION

Press -

Dailies:

Daily Graphic

Ghanaian Times

The Pioneer

Weeklies:

The Mirror

Sporting News

Business Weekly

Radio Review and TV Times

Weekly Spectator

The Standard

Sporting Record

The Palaver

Echo

Post

Weekly Advertiser

Monthlies:

Statesman

Christian Messenger

Drum

Flamingo Magazine

Ghanaian Messenger

Ghana Trade Journal

Ghana Pictorial

Nkwantabisa (Asaate-Twi)

Nkwantabisa (Fanti)

Akwansosem (Akwapim-Twi)

Motabiala (Ewe)

Kakyevole (Nzme)

Mansralo (Ga)

Lahabati Tsugu (Dagsani)

Kasem Labare

Others:

Ghana Review

What's New

Insight Publication

Transition

Ghana Business Guide

Radio

Ghana Broadcasting Corporation broadcasts in English and six Ghanaian languages and its external service broadcasts in English, French, Portuguese, Hausa, Swahili and Arabic; 50,000 subscribers.

Television

The Ghana Broadcasting Corporation operates a television service with stations at Accra, Kumasi, Sekondi-Takoradi and a relay station at Tamale. 50,000 television sets - 1971.

BANKS

Bank of Ghana, Central Bank of the Country. Responsible for the issuing of banknotes and coins: Notes, 1, 5, 10 Cedis. Coins - $\frac{1}{2}$, 1, $2\frac{1}{2}$, 5, 10 and 20 Pesewa.

Exchange Rate: One US Dollar = .87 Cedi (February, 1973).

Gross National Expenditure = GNP = 1,661 Million Cedis in 1968 of 198.3 Cedi per capita (based on 1968 population figures).

Gross Domestic Product (1970) = 2.571 Million Cedis or 297.6 Cedi per capita (based on 1970 population figures).

Agricultural Development Bank

Ghana Commercial Bank

National Investment Bank

Ghana Savings Bank

Bank for Housing and Construction - covers real estate development, House Ownership Scheme, Worker Housing Scheme and Low Cost Housing Scheme jointly owned by the Government of Ghana, The Bank of Ghana Social Security Fund and State Insurance Corporation.

Foreign Banks

Barclays Bank Ghana Ltd.

Standard Bank of Ghana

BANK OF GHANA - CENTRAL BANK (Millions of Cedis)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Foreign Assets	83.0	96.4	108.4	82.1	75.1	97.1	147.5
Claims on Government	142.9	169.0	201.8	196.2	208.5	314.0	276.3
Claims on Private Sector	73.1	87.1	60.1	68.3	121.8	131.3	184.1
Reserve Money	166.0	180.7	177.9	204.4	231.8	327.0	545.7
of which: Currency							
Outside Banks	115.2	119.2	125.3	150.7	150.6	158.8	-----
Foreign Liabilities	84.3	135.2	163.0	139.1	81.3	111.0	14.7
Government Deposits	-11.2	-13.5	-37.9	-37.3	16.2	-7.1	-11.7
Other Items (Net)	59.9	46.0	62.3	40.5	76.3	111.6	59.1

SOURCE: International Financial Statistics, Vol. XXVI, No. 4, April, 1973, I.M.F.

	COMMERCIAL BANKS (Millions of Cedis)						
	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Reserves	38.8	38.3	37.9	54.7	88.0	78.9	-----
Foreign Assets	2.0	1.0	.3	.4	4.3	8.5	-----
Claims on Government	104.8	101.5	90.8	98.5	120.0	53.9	-----
Claims on Private Sector	128.3	129.4	162.3	195.1	187.2	315.5	-----
Demand Deposits	130.8	120.8	132.6	137.5	150.9	159.2	-----
Time and Savings Deposits	67.2	78.2	93.2	98.9	121.2	153.6	-----
Foreign Liabilities	24.6	16.6	13.3	29.7	22.3	3.1	-----
Government Deposits	22.0	18.2	15.2	18.5	21.3	85.6	-----
Other Items (Net)	29.3	36.4	37.0	64.0	83.9	55.3	-----

SOURCE: International Financial Statistics, Vol. XXVI, No. 4, April 1973, I.M.F.

THE ECONOMY

Since independence, poor cocoa prices in world markets from £490 per ton in 1957 to £166.25 per ton in 1966, and by September 1972 it stood at £300 per ton, has produced a chronic balance of payments problem and a large external debt. The charge of "economic mismanagement" which one hears when the Ghanaian economy is discussed is surely unfounded because up until now 60% of Ghana's foreign exchange earnings comes from cocoa and as there has been a continuing downward trend in world cocoa prices from £490 per ton in 1957 to £300 per ton in 1972. It follows that her earnings which pays for her imports would fall. Besides, since the population is increasing every year, more imports are necessary to meet the demands of a growing population. What Nkrumah set out is a truly socialist policy which was anathema to some sections of the world community which had a "spin-off effect" on world cocoa prices. At any rate, the National Liberation Council and the Busia government tried to right the situation by means of retrenchment and the rescheduling of foreign debts. In addition, one of the last acts of the Busia government was to attempt to restrain domestic demand for imports by fiscal measures through a massive devaluation of the Cedi. This was extremely unpopular as it raised the price of all imported goods. On seizing power the National Redemption Council used the devaluation of the Cedi as one of its justifications for political intervention and revalued the Cedi - though not to its predevaluation level. The NRC then decided to repudiate some of Ghana's debts which it said "were tainted by corruption" and unilaterally rescheduled the others, and the creditor nations suspended all credit arrangements. This has meant that Ghana had to pay "on sight" for all her imports. The creditor nations presented proposals on debt repayments in

November last year, but as yet the Ghana Government has not replied to them. Until it does there will be little credit and the outlook for major new aid will remain very uncertain. In this situation, the only recourse open to the NRC was to introduce very rigorous physical import controls.

	<u>1971</u>	<u>1972</u>
Imports	q 445.3 Million	q 396.2 Million
Exports	q 380.2 Million	q 570.1 Million

SOURCE: NRC Budget 1972-73, Accra, 1972.

INTERNATIONAL LIQUIDITY (Millions of US Dollars)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Monetary Authorities							
Reserves	111.1	88.6	101.1	76.1	57.9	47.7	107.4
Gold	5.6	5.6	5.6	5.6	5.6	6.1	6.1
SDR's	---	---	---	---	---	3.3	3.3
Reserve Position in the Fund	---	---	---	---	---	---	---
Foreign Exchange	105.5	83.0	95.5	70.5	52.3	38.3	90.4
Bank of Ghana	91.5	68.6	81.1	65.2	52.1	37.6	90.2
Control Government	14.0	14.4	5.4	.2	.7	.2	14.4
Fund Position							
Credit Tranche Position:							
Standby	5.0	---	2.0	2.0	---	---	---
Other	36.2	22.4	9.5	14.2	57.4	74.6	92.6
Drawings Outstanding	58.8	77.2	87.2	79.4	56.5	30.8	14.1
of which: Compensatory							
Drawings	17.2	17.2	17.2	16.5	16.5	---	---
Use of Fund Credit	45.0	63.8	74.7	69.3	46.1	19.9	1.9
Quota	69.0	69.0	69.0	69.0	87.0	94.5	94.5
Payments Agreements Assets	2.3	5.9	5.2	4.3	15.7	5.5	---
Commercial Banks: Assets	2.8	1.0	.3	.4	4.2	4.7	---
Liabilities	34.4	16.3	13.1	29.1	21.9	1.7	---

SOURCE: International Financial Statistics, Vol. XXVI, No. 4, April, 1973. I.M.F.

BUDGET

In presenting the 1972-73 Budget the Chairman of the NRC said that "it is based on the cardinal principle of self-reliance which the Nation has adopted to guide their actions in the years ahead." The total recurrent expenditure is estimated at Q329.0 million for Ministries and Departments. This excludes debt servicing, pensions and social security contributions. The corresponding figure for 1971-72 was Q324.3 million. The 1972/73 expenditure shows an increase of Q4.7 million, in fact the figure for the 1972/73 budget would have been far larger but for the fact that the estimates for Post and Telecommunications were not taken into account as Post and Telecommunications is now a separate corporation. The revenue proposals for 1972-73 is estimated at Q386.4 million and capital receipts would amount to Q84.5 million, therefore the total expected revenue both Current and Capital, for 1972-73, is estimated at Q470.9 million compared to Q499.2 million (actual revenue collected), for 1971-72. This shows a deficit in revenue of Q28.3 million. From the level of current capital investment programmes and debt payments, it is obvious that the government cannot meet the current budget from its resources without recourse to internal and external borrowing. The government therefore "considers it prudent that additional revenues should be raised from domestic sources to make up this deficit." The disparity in the pattern of recurrent expenditures by sectors indicates the emphasis that the government is giving to the social and administrative sectors at the same time expanding the economic sector. For example, in the Health Sector the Government will, in 1972/73, spend Q33.3 million as against expected revenue of Q300,000. For pre-university education, Q18 million has been set aside and the expected revenue is only Q250,000. This shows that these services are being provided practically free and with the increasing population of the country there is the demand for more educational

and health services. Also it is the policy of the NRC as stated in the Budget, to hold down the level of recurrent expenditures as much as possible during the current financial year. The recurrent expenditure has a high personal emolument component of 70%, which is due largely to the cost of living allowances, the rise in minimum average wage and the salary increases to government employees earning less than G1,000 per annum.

CAPITAL EXPENDITURE OF MINISTRIES AND DEPARTMENTS

	Current G Million	% Of Total	Capital G Million	% of Total
Economic Sector	89.4	27	63.7	65
Social Sector	139.3	42	18.3	19
Administrative Sector	100.3	31	15.8	16
TOTAL	G329.0	100	G97.8	100

SOURCE: National Redemption Council Budget Statement for 1972/73,
Ministry of Finance, Accra.

GOVERNMENT FINANCE (Millions of Cedis)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Deficit (-) or Surplus	-76.6	-87.9	-104.0	-66.0	49.9	-88.4	----
Revenue	230.9	254.0	297.9	332.0	438.8	450.7	----
Expenditure	272.9	320.8	400.2	395.3	467.9	523.8	----
Net Lending	34.6	21.1	1.7	2.7	19.3	15.3	----
Financing:							
Net Borrowing -							
Domestic	66.9	67.3	73.8	42.7	44.8	69.9	----
Foreign	25.5	16.8	28.3	26.6	48.0	24.2	----
Use of Cash Balances	-15.8	3.8	1.8	-3.3	-42.5	7.8	----

SOURCE: International Financial Statistics, Vol. XXVI, No. 4, April 1973, I.M.F.

BALANCE OF PAYMENTS

Since January, 1973, there has been an improvement in Ghana's balance of payments. Provisional figures for the first six months of 1972 show an average monthly surplus of C18.8 Million in the balance of visible trade and whilst for 1971 there was an average monthly deficit of C4.1 Million for the same period. This is largely due to drastic import controls. For example, the reintroduction of import licensing system, the increase in the volume of exports of cocoa, timber and gold and the rise in the world market price of cocoa. This has resulted in the improvement in Ghana's external trade position and Ghana has therefore been able to build up her external reserves and reduce the arrears and payments on 1971 imports. The physical controls succeeded in restraining imports which was about C396.2 Million in 1972 compared to C445.3 in 1971. Even more healthy was the rise in export earnings by 50% from C380.2 Million in 1971 to C570.1 Million in 1972. This produced a trade surplus of C173.9 Million in 1972 compared to a deficit of C65.1 Million in 1971.

In 1972, cocoa accounted for about 60% of the value of exports. Timber exports also reached a record level.

BALANCE OF PAYMENTS (Millions of US Dollars)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Goods and Services	-117.5	-69.3	-40.0	-36.7	-15.1	-120.3	--
Trade Balance fob	-40.4	18.8	47.6	58.2	87.7	-13.9	--
Transport & Mds. Ins.	-38.2	-33.9	-29.8	-45.1	-45.4	-46.7	--
Investment Income	-20.1	-24.2	-32.1	-36.7	-40.3	-41.7	--
Other	-18.8	-30.0	-25.7	-13.1	-17.1	-18.0	--
Transfers: Private	-12.4	-15.5	-15.9	-13.2	-11.8	-8.2	--
Central							
Government	4.8	.3	--	.9	.5	.5	--
Capital n.i.e.: Private	49.2	31.3	19.8	9.0	18.8	77.0	--
Central							
Government	49.1	19.4	25.1	45.4	45.4	29.3	--
Deposit Money Banks:							
Assets	-1.7	1.7	.7	-1	-7.2)	21.4	--
Liabilities	8.3	-18.1	-3.3	16.0	-3.8)	9.3	--
Allocation of SDRs	--	--	--	--	11.6	20.7	--
Monetary Authorities	18.2	42.0	3.7	-6.8	-45.9	--	--
Monetary Gold	--	--	--	--	--	--	--
SDR Holdings	--	--	--	--	--	--	--
IMF General Account	46.9	18.8	10.9	--	--	--	-3.0
Other Assets	1.2	15.0	-12.2	-5.4	-23.2	-28.7	--
Other Liabilities	-22.9	8.2	5.0	15.9	22.0	37.8	--
Net Errors and Omissions	2.0	8.2	9.9	-17.3	-44.7	14.6	--
				-14.5	7.5	13.1	--

SOURCE: International Financial Statistics VOL XXVI, No. 4, April 1973, IMF.

AGRICULTURE

About 70 per cent of Ghana's labour force is employed in agriculture. Ghana produces a variety of agricultural produce, cocoa, a major crop accounting for 60 per cent of foreign exchange earnings; yam, plantain, cassava, groundnuts, onions, rice, coffee, timber and vegetables. Cocoa is grown in the forest belt of Ashanti Brong-Ahafo Eastern, Western and Central regions. Along the coast and the Volta region, the chief occupation is fishing. There are coconut plantations in the Keta region which forms the basis of an export industry in copra. Maize, cassava and onions are grown in large quantities in the eastern parts of the Volta Delta between Keta and Anloga. Coffee is grown around Kpadu and Buem-Krachi. In the Savannah region agriculture is almost entirely confined to rearing of cattle and the cultivation of yams, cotton, groundnuts and vegetables. There is a noticeable export of livestock, poultry and yams, to the southern region of the country. The NRC has directed the main thrust of its economic policy in the agricultural sector through operation 'feed yourself'. This has been a tremendous success - production of most crops have increased considerably. "Operation Feed Yourself" has had its difficulties, serious marketing and shortage difficulties have at times cancelled out the advantages of increased production. The government has succeeded in expanding Ghana's much neglected agricultural sector. These are positive achievements.

INTERNATIONAL TRADE (Million of Cedis)

	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>	<u>1972</u>
Exports	170.93	224.16	312.99	307.60	441.68	337.38	--
Cocoa	123.67	130.67	185.60	220.84	300.40	203.45	--
Timber	20.86	22.36	28.55	39.08	39.52	32.73	--
Diamonds	13.01	12.64	17.43	13.87	14.47	11.75	--
Manganese	14.58	9.23	10.55	7.02	7.21	6.64	--
Value of Gold Produced	17.11	22.53	26.42	25.26	25.14	24.91	--
Imports Cif	251.21	261.52	314.03	354.39	419.05	452.25	--

SOURCE: International Financial Statistics VOL. XXVI No. 4 April, 1973. IMF.

INDUSTRY

Before 1967 there was hardly any industry. Since then, over 120 industries have been established in various parts of the country. Ghana now produces matches, paints, nails, biscuits, spirits, cooking utensils, roofing materials, canned goods, meat and fish, insecticides and other chemicals. There is a steel works at Tema near Accra. Other factories include two breweries, a milk processing plant, lorry and bicycle assembly plant and an oil refinery. The manufacturing sector plays an important role in the economy of its contribution to gross national product and an offering of employment to the labour force. However industry has not been productive enough to meet home consumption and also excessive reliance on imported raw materials. In the current budget the Government plans to expand the industrial sector and set production targets for each industry. It is too early to see whether this will bear fruit but there is no doubt that the Government is now taking steps in the right direction.

MINING

Ghana has considerable wealth in minerals, gold, iron ore, bauxite, bitumen, asbestos, limestone, manganese, marble, diamonds, salt and granite. Ghana is the world's fourth largest producer of gold which is mined in parts of Ashanti and the Western Regions. Diamonds are mined in large quantities in Awaso and in the central region. It has been established that Ghana has vast resources of bauxite and copper deposits at Kibi and Nyinahin which are estimated at around 300 Million Tons.

And it is estimated that they have a potential ranging between 500 and 600 Million Tons. Steps are being taken to initiate the exploitation of these deposits. Mining operations will soon start on the Nauli lime deposits.

MINERAL PRODUCTION AND EXPORTS 1967-71

	<u>1967</u>	<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
Gold					
Output (000 fine ounce)	762.6	729.6	709.5	720.0	766.0
Exports (q Million)	25.0	29.0	25.7	25.6	27.2
Diamonds					
Output (000 Carats)	2,537.5	2,448.1	2,390.9	2,460.0	2,460.0
Exports (q Million)	15.1	17.4	13.9	14.0	14.0
Manganese					
Output (000 Tons)	490.5	406.8	346.0	286.0	270.0
Exports (q Million)	11.2	10.5	7.0	5.8	5.6
Bauxite					
Output (000 Tons)	345.4	280.2	265.2	300.0	340.0
Exports (q Million)	1.9	1.5	1.4	1.8	2.1

SOURCE: One-Year Development Plan July 1970 to June 1971.

HYDRO ELECTRICITY

The Volta River project started in September, 1961 is Ghana's largest industrial project. The main part of the project comprises a dam and power station at Akosombo. The dam has six generators each producing 120,000 kw. annually. A large proportion which feeds the giant aluminium smelter at Tema. A national transmission grid of some 700 miles of 161 kv lines and 16 sub-stations serve the entire Country. There is a lake 3,275 square miles and stretching about 200 miles from Akosombo to the northern parts of Ghana. It is the largest man-made lake in the world providing a good source of fish as well as opening up vast stretches of land not easily reached by road.

TRANSPORT AND COMMUNICATIONS

Roads

Ghana has 6,000 miles of roads of which 3,000 are bitumen surfaced. In addition there are 15,000 miles of feeder roads.

Railways

There are about 800 miles of railway connecting the major cities of Ghana.

Airports

There are four major airports. Accra, Which is of international standard, Takoradi, Kumasi and Tamale, and landing strips for domestic service.

CANADIAN INTERNATIONAL DEVELOPMENT AGENCY, AID AND OTHER SUPPORT TO GHANA,
AND TRADE BETWEEN CANADA AND GHANA

	<u>ALLOCATION OF FOOD AID (MILLIONS OF DOLLARS) 1969-70 TO 1972-73</u>			
	<u>1969-70</u>	<u>1970-71</u>	<u>1971-72</u>	<u>1972-73</u>
Total Commonwealth Africa	2.02	5.00	3.00	3.00
of Which Ghana	2.02	3.00	3.00	-----

	<u>BILATERAL DISBURSEMENTS (MILLIONS OF DOLLARS) 1969-70 TO 1971-72</u>		
	<u>1969-70</u>	<u>1970-71</u>	<u>1971-72</u>
Total Commonwealth Africa	15.73	25.08	49.83
of Which Ghana	4.44	7.01	10.01

		<u>IMPORT AND EXPORT TRADE (MILLIONS OF DOLLARS)</u>			
		<u>EXPORTS FROM CANADA TO GHANA</u>			
<u>IMPORTS TO CANADA FROM GHANA</u>		<u>1968</u>	<u>1969</u>	<u>1970</u>	<u>1971</u>
11.1	7.5	7.0	7.6	5.1	5.1
		6.1	6.1	8.1	8.1

SOURCE: CIDA ANNUAL REVIEW 1971-72 Information Canada, Ottawa 1972

IDRC FINANCE RESEARCH PROJECTS

<u>Description of Project</u>	<u>Institution</u>	<u>Contacts</u>	<u>Amount</u>
Rural Fisheries	Ministry of Agriculture Department of Fisheries		\$441,000
Wood-Cement Products	Council of Scientific and Industrial Research		\$ 67,250

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