

**Growing Apart: Ghana's Growing Regional Inequality since the
Adoption of Poverty Reduction Strategies and the HIPC Initiative
(2000 – 2013)**

**by
Kojo Anane Ampofo**

A Thesis Submitted to
Saint Mary's University, Halifax, Nova Scotia
in Partial Fulfillment of the Requirements for the
Degree of Master of Arts in International Development Studies

August, 2017, Halifax, Nova Scotia
Copyright © Kojo Anane Ampofo, 2017

Approved: Dr. Suzanne Dansereau
Supervisor

Approved: Dr. Peter Arthur
Reader

Approved: Dr. Francis Boabang
External

Date: August 22, 2017

Acknowledgements

First of all, I would like to thank the Almighty God, without Him, this work would not have been possible.

Secondly, I would like to express my sincere gratitude to my thesis committee: Dr. Suzanne Dansereau, Dr. Peter Arthur and Dr. Francis Boabang. Without their support, this work would not have come to fruition. Dr Dansereau was immensely helpful, providing me with invaluable feedback and encouragement throughout the writing process. I would also like to thank her for her support and concern in difficult moments; I am very grateful Prof! Dr Arthur provided me with useful comments to improve my writing, and for that, I remain thankful. I also thank Dr Boabang for his suggestions, which helped in shaping my argument.

I would like to also thank the FGSR for their assistance. The scholarship they gave me was really helpful; it made life less stressful. I equally would want to thank Jamie from the writing centre for his useful comments and advice even though we met only once.

Many thanks to all friends and colleagues from the programme; I appreciate your kind words and friendship. To Francisca, I say a big thank you for your support and words of encouragement; those words gave me hope and marched me on during moments of weariness.

Finally, I owe the largest amount of thanks to my parents for their financial and emotional support as well as their prayers. Mom and Dad, I am forever indebted to you and all I ask is God's endless blessings for you. I am also grateful to you: Adwoa, Kofi (Yobo) and Billy for your emotional support.

Abstract

Growing Apart: Ghana's Growing Regional Inequality since the Adoption of Poverty Reduction Strategies and the HIPC Initiative (2000 – 2013)

By Kojo Anane Ampofo

The Poverty Reduction Strategy programmes were officially launched in 1999 and became the key component of many development programmes. Their aim was to address the high rates of poverty prevalent in many developing economies. They also promised to address regional inequalities within countries by reducing regional differences in poverty levels.

This thesis presents an analysis of Ghana's PRSP from 2000 to 2013 and the associated enhanced HIPC initiative. It argues that a problem caused by the programme's neoliberal approach as well as its implementation has failed to reduce disparity between Ghana's wealthier South and poorer North. The analysis is based on three main sets of data: regional distribution of the HIPC grant; regional composition of private sector development and export policies pursued under the PRSPs. The thesis demonstrates growing levels of poverty in the North when compared to the South due to the differences in economic structures between the two regions as the South was able to benefit from policies favouring export orientation and support for the formal private sector, while the North could not. This was aggravated by the inequitable distribution of the HIPC grants between the two regions.

August 22, 2017

Table of Content

Acknowledgements.....	2
Abstract.....	3
List of Tables.....	5
List of Figures	6
Acronyms.....	6
Chapter 1: Introduction	
Introduction	9
Literature Review.....	14
Meaning of Poverty.....	14
Economic Wellbeing.....	15
Poverty as lack of capabilities.....	18
Social Exclusion.....	21
Jeffrey Sachs and the Poverty Reduction Agenda.....	26
Neoliberalism as part of International Development Policies	30
Structural Adjustment Policies (SAPs).....	31
HIPC Initiative.....	36
Poverty Reduction Strategies Papers	38
Poverty Reduction and Increased Regional Inequality.....	44
Thesis Statement	49
Methodology.....	52
Chapter 2: Historical Background of Ghana’s North –South Inequality	
Introduction	55
Country Background: The Distinction between North and South	55
Origin of Ghana’s North –South Inequality.....	57
Colonial Policies, from 1800s to 1957.....	58

Post-Colonial Policies to Address Regional Inequality in Ghana under Different Political Regimes, from 1951 -2000.....	62
The Nkrumah era, 1951-1966.....	63
The Acheampong regime 1972- 1978.....	66
Rawlings and the era of structural adjustment, 1981-1992.....	68

Chapter 3: PRSP Implementation: Impacts on Ghana’ North-South Inequality (2010-2013)

Introduction.....	74
PRSPs Design and Implementation in Ghana from 2000 to 2010.....	75
Private Sector Development Policies.....	76
Export Promotion Policies.....	81
HIPC Programme in Ghana from 2000 to 2010.....	87
Outcomes of the PRSP and HIPC Initiative: MDGs as Indicators from 2010 to 2013	98

Chapter 4: Conclusion and Recommendations

Conclusion.....	110
Recommendations	115
References.....	118

List of Tables

Table 2:1 Official Statistics on Schools in Gold Coast in 1919.....	57
Table 3.1: GPRS Weighting Criteria Based on the Depth of Deprivation for Regional Resource Distribution.....	78
Table 3.2: HIPC Fund Allocations to District Assemblies, 2002.....	88
Table 3.3 Regional Distribution of HIPC Projects from 2002-2004.....	90
Table 3.4 Percentage Figures of HIPC Fund Directly Disbursed to the Regions through the District Assemblies.....	94
Table 3.5 Regional HIPC Receipts and Ruling Government’s Support.....	96
Table 3:6 Percentage Changes in Poverty Level from 1991 to 2013.....	101
Table 3.7 Trend in Pupil-Teacher Ratio (Primary Schools).....	102

Table 3.8 Skilled Birth Attendant (SBA) at Birth by Region (1998–2008) figures in (%).....	105
---	-----

List of Figures

Figure 3.1 Cotton Production in Ghana from 1999 to 2007.....	84
Figure 3.2 Cocoa Production in Ghana 1978/79- 2007/08.....	86
Figure 3.3 Regional HIV Prevalence Rate 2010-2014.....	106
Figure 3.4 Regional Distribution of Mobile Phone and Internet Usage (for persons 12 years and older).....	109

Acronyms

APRs	Annual Progress Reports
CEPA	Centre for Policy Analysis
CPP	Convention Peoples Party
CSOs	Civil Society Organizations
ERP	Economic Recovery Programme
GAC	Ghana Aids Commission
GER	Gross Enrolment Ratio
GLSS	Ghana Living Standards Surveys
GoG	Government of Ghana
GPRS I	Ghana Poverty Reduction Strategy
GPRS II	Growth and Poverty Reduction Strategy
GSS	Ghana Statistical Service
GSGDA	Ghana Shared Growth and Development Agenda
HDI	Human Development Index
HIPC	Highly Indebted Poor Country Initiative
IDA	International Development Association
IFIs	International Financial Institutions
IMF	International Monetary Fund
I-PRSP	Interim Poverty Reduction Strategy Paper
JHS	Junior High School
MCA	Millennium Challenge Account
MDBS	Multi Donor Budget Supports
MPI	Multi Poverty Index
NER	Net Enrolment Ratio
NDPC	National Development Planning Commission
OECD	Organization for Economic Co-operation and Development
ODI	Overseas Development Institute
PAMSCAD	Programs of Action to Mitigate the Social Costs of Adjustment

PIP	Public Investment Programmes
PRSPs	Poverty Reduction Strategy Papers
PSIs	President's Special Initiatives
PRGF	Poverty Reduction and Growth Facility
PRS	Poverty Reduction Strategy
SAPs	Structural Adjustment Programmes
SEND	Social Enterprise Development Foundation
SHS	Senior High School
UNDP	United Nations Development Program
UN	United Nations
WTO	World Trade Organization



(GSS, 2010, p2)

Chapter One - INTRODUCTION

Introduction

The need to tackle growing differences in poverty levels between geographical units within countries has become an important topic in international development in recent years. This need is evidenced in the new global development goals, the Sustainable Development Goal 10 (SDG 10), which places emphasis on reducing all forms of inequality including spatial inequality. Indeed, major research projects such as *Spatial Dimensions of Human Development* by Kanbur and Venables (2005) have concluded that spatial inequality in many developing countries is high and continuously rising (p22). Similarly, the 2009 World Development Report (WDR) on *Equity and Development* also highlights the widening of spatial inequalities in many developing countries. However, this phenomenon of growing differences in poverty levels between geographic units within developing countries has continued to occur and even increased since the introduction of poverty reduction as the focus of international development policies. The enhanced HIPC initiative and PRSPs introduced around 1999, which were all placed in the poverty reduction framework, required that poor countries showed plans and strategies that would be used to reduce national poverty. Hence, targeting excluded regions and marginalised communities within countries with relatively high poverty levels in order to redress uneven regional development by default was an expected objective of these Poverty Reduction Programmes. Indeed, content analysis of 14

countries' PRSPs across the developing world (sub-Saharan Africa, Latin America and the Caribbean, Southeast and Central Asia) by Higgins et al. (2010) shows that the problem of regional inequality was recognised in those PRSPs (p 5). In Ghana, reducing regional inequalities was a central theme of the country's PRSPs. The Ghana Poverty Reduction Strategy I (GPRS I) stated emphatically as a main goal to accelerate poverty reduction in the three most deprived regions in northern Ghana in order to address the regional inequality that exists between the country's North and South (GoG, 2003 p. 31). However, there is less evidence of achieving this goal as there is a growing disparity between the North and South.

Since the implementation of the Ghana's PRSP, the country has made giant strides in reducing poverty from 51.6 percent in 1992 to 24.8 percent in 2013 (UNDP, 2013, P 35). As a matter of fact, Ghana is even touted as the first country in sub-Saharan Africa to achieve the MDG 1 which is halving income poverty in 2006, even ahead of the 2015 timeline (GoG and UNDP, 2012, p. 13). However, despite this achievement, there are substantial regional and spatial differences within the country that are masked by this 'average' dominant-poverty reduction story claimed by the government of Ghana and donor agencies. Ghana's poverty reduction is not as widespread as one might have hoped; its pattern is limited to only some parts of the country.

The success story of poverty reduction is concentrated in the capital city, Accra and the forest zone (all in the South) where majority of Ghana's resources such as cocoa, gold, and timber are produced (Whitfield, 2009, p. 9). Many other parts of the country particularly rural areas and the three northern regions, also referred to as the savannah

regions of the country, have experienced lesser improvement in poverty reduction (ibid, p. 10). The savannah regions of Ghana (i.e. the Northern, Upper East and Upper West) have benefited very little from the country's poverty reduction. While the absolute number of the poor declined by some 2.5 million people from 1991 to 2006 in the South, it increased by 0.9 million people in the savannah regions by this same period (Abdulai and Hulme, 2014, p. 3). In addition, the rural areas of these regions make the largest contribution to national poverty with the Upper West Region, Upper East Region and Northern Region contributing to 92.6 percent, 87.3 percent, and 80.8 percent respectively (UNDP, 2013, p. 10). Other measures of poverty, which take into account the distance separating the poor from the poverty line, that is, the poverty gap, which shows the severity of poverty has significantly increased in the savannah regions of the country over the years of the PRSP implementation from 36.6 percent in 1998/99 to 49.3 percent in 2005/06 (GSS, 2007).

Similarly, other welfare indicators which are used to measure poverty in Ghana also show that poverty gap between the northern and southern parts of the country to be profound. Non-income based poverty measurements such as access to basic services such as to education and healthcare facilities, literacy, adequate toilet facility, electricity among other social services do not only show the North-South divide, but also the limited progress in poverty reduction in these areas since the implementation of the PRSPs and enhanced HIPC initiative (UNDP, 2013). This growing pattern of poverty in the northern regions of the country suggests that recent development policies were unable to improve the socio-economic conditions of the poor in the country's North. Even if they

did at all, then the changes were very slow or not fast enough to avoid a widening gap between the northern and the southern regions of the country. On the basis of this growing disparity between Ghana's North and South since the implementation of the country's Poverty Reduction Strategies and HIPC initiative, it has become imperative that we analyse these programmes in the country to find out how they impact on the country's regional inequality. Nonetheless, it is important to state that even though we consider the design and implementation of the country's PRSPs and HIPC to be the major reason behind the country's increased regional inequalities in recent times, we also admit that other factors like migration and the conflict that resulted from the Yendi chieftancy dispute in the North could have also contributed to the inequalities.

The concerns about rising spatial inequality or inequality across geographical units within a country have been at the centre stage of recent development discussions for some major reasons. First, from a normative perspective, inequalities such as a high degree of regional inequality may be regarded as unjust or inequitable. Secondly, regional inequality has adverse implications for poverty reduction and beyond this, it can also constrain overall national development in ways such as providing grounds for national conflict. According to Ayeertey et al. (2009), regional inequality can also produce severe consequences such as discontent, conflict and even war, especially if it coincides with divisions along socioeconomic lines such as migrants and natives, different ethnicities, different religions, among other socio-economic divisions (p3). Thirdly, regional inequality is also an issue of social justice. People want to live in societies that are fair and where one's socioeconomic position can be improved regardless of one's geographic

location. Lastly, the trend towards growing regional inequalities has occurred mainly within the context of positive economic growth and poverty reduction which undermines the rapid achievement of the MDGs (UNDP, 2005). All these reasons emphasise the need for governments and development agencies to actively seek policies that will ensure harmonious development in a country.

Research Question

In view of the unequal progress achieved in reducing poverty in Ghana, under the country's Poverty Reduction Strategies and the enhanced HIPC initiative from 2000 to 2013, the objective of this research is to investigate how these programmes have impacted the unequal progress in reducing poverty between Ghana's northern regions and southern regions. In order to achieve this objective, this thesis will analyse the possible underlying weaknesses of the PRSPs and the HIPC initiative, both in terms of their design and implementation by examining the different debates on the effectiveness of these programmes in reducing spatial differences in poverty.

On this basis, the principal question this thesis sets out to ask is how Ghana's PRSPs and HIPC initiative impacted the country's increased North-South inequality from 2000 to 2013. This question becomes even more important to ask, especially when Ghana's Poverty Reduction Strategies and the HIPC initiative were supposed address the country's North-South inequality by reducing the differences in poverty levels between these regions.

Literature review

It is my argument that a limited approach to poverty taken in the PRSPs and the neoliberal design of the programme as well as inequitable distribution of HIPC resources have led to increased disparity in poverty levels between northern and southern Ghana.

In this sense, this section mainly reviews the variety of debates on the PRSPs and the HIPC initiative, in an effort to identify their effectiveness in addressing spatial dimensions of poverty within developing countries. However, we will begin by first, reviewing the various literature on the meaning of poverty in order to shed light on the multidimensional nature of poverty and why the Poverty Reduction Programmes introduced in the 2000s take a limited approach to poverty. We will also discuss how neoliberal policies have featured in the Poverty Reduction Programmes and reveal why the IFIs embarked on poverty reduction as an approach to development. We will then proceed to discuss how Poverty Reduction Programmes (ie PRSPs and their associated HIPC initiative) have impacted regional inequality through either reducing or increasing regional differences in poverty incidence within developing countries.

What is Poverty?

The concept of poverty has acquired an important focus in development policies in the last four decades or so, but determining who are the poor is a difficult task. Poverty is considered multidimensional in nature and a dynamic construct whose causes are complex. As a result, a range of definitions exist to define poverty are influenced by different disciplinary approaches and ideologies. Indeed, the debate among academics and

practitioners as to how to define and measure poverty is still ongoing. This thesis neither seeks to discuss all the definitions of poverty nor which definition is most appropriate. It is nonetheless crucial to understand some of the major definitions and approaches which have been used in determining or describing who is considered as poor for the purpose of this thesis, which emphasises that the Poverty Reduction Programmes introduced around 1999 take a limited approach to poverty. On this basis, a brief overview of some definitions and categorizations used in describing poverty will be given in this section.

Economic well-being

Since World War II, economists have used the dominant Western definition to describe poverty in monetary terms, using levels of income or consumption to measure poverty (Grusky and Kanbur, 2006, p. 11). This definition measures poverty in terms of economic well-being. According to Hallensleben (2012), this approach is based on the idea that there are basic means of survival and thus, poverty would mean being deprived of these minimum requirements (p11). Not surprisingly, there are disagreements about what is important for survival and whether or how certain non-materialistic human needs that are social, psychological or political in nature should be considered given that they cannot be appointed a monetary value. Although this critique makes a salient point, there are some justifications for focusing on poverty as material deprivation. Morduch (2006) argues that this approach is practical because “inadequate income is clear, measurable, and of immediate concern for individuals” (29). He further explains that insufficient

income has a strong correlation with other important concerns that are difficult to measure. To support this claim, he argues that those who are most vulnerable to health issues and with the lowest social status tend to come from the bottom of the income distribution (ibid 29).

This approach is often used in developing countries to define poverty through the establishment of a poverty line, which is calculated as the amount of income required to acquire a minimum food calorie intake or a minimum basket of consumption goods needed to live a basic life (Stiglitz, 2012, p 11). A person is considered poor if his/her income or expenditure is below this cut-off line. However, according to Morduch(2006), using household income alone to assess whether one is poor or not may not be enough. This is because households also borrow, sell assets or draw on savings when their income is low (p. 30). Due to this, consumption expenditure is more stable than income and so many experts consider it to be a better indicator of poverty. Streeten (1998) also points out that:

using consumption expenditure has the added practical advantage of often being more easily gathered than income data, which can be quite uncertain for owner-operated farms or firms for which no books are kept and for which the concept of net profits is vague (p. 42).

So too, does the consumption-based measure capture what agricultural households consume as they produce large portions of their consumption themselves, which is not captured in income data (Demombynes, 2008, p. 11).

With the consumption-based approach, a person who is unable to acquire the consumption basket of basic goods is considered poor and an individual who cannot even acquire the minimum calorie intake is considered extremely poor. This approach is used by the World Bank in defining the extreme and general poverty lines for developing countries as \$1.25 and \$2.50 per day respectively in dollars adjusted for purchasing power parity (PPP) (Kanbur & Lustig, 2001, p. 23). The government of Ghana also follows the World Bank in using the consumption expenditure to measure poverty. It sets the extreme poverty line at GH¢792.05 per adult equivalent per year, the money needed to meet basic nutritional requirements even if one devoted his or her entire consumption budget to food, and the general poverty line at GH¢1,314, which is the amount of money needed to fulfill one's basic food and non-food needs ((GSS, 2014, P 11).

The use of an international poverty line, such as one used by the World Bank, allows us to measure global progress. However, national poverty lines are more appropriate for analyses and comparisons within a country since eating and living patterns vary from country to country. Thus, the measurement of poverty based on poverty lines enables analysts to describe a situation and to monitor changes against a clear benchmark (Morduch, 2006, p 31). Nonetheless, it is worthy to note that there is a difference between the poverty line concept and reality. This is because the living conditions between people just below the poverty line and others who are slightly above it will not be easily noticeable although the former would be considered poor while the latter would not. Despite the advantages of the economic well-being approach, it simply reduces poverty to income or consumption capacities of the poor. It ignores that a person's well-being also

includes a variety of social issues such as vulnerability, insecurity, isolation, exclusion and lack of power which cannot be reduced to economic well-being.

Poverty as lack of capabilities

For some time now, development scholars have argued that the concept of poverty is broader than economic welfare, which is too narrow to reflect individual well-being, and have called for the inclusion of other dimensions, such as health and education. Sen (1987, 1999) is one of the chief advocates of taking a broader approach to development and poverty. According to Sen (1999), development involves the increase of individual freedoms, which is reflected in the ability to freely choose between “alternative functioning combinations” (p. 75). This approach focuses on the capabilities that enable people to choose the lifestyles they themselves value and also convert their resources to achieve desirable needs. From this perspective, poverty is understood as a lack of these capabilities, which undermines the rights of the poor to determine their access to resources, their opportunities to convert these resources to promote their ends, and the possibilities to participate in relevant social processes (Hallensleben, 2012, p. 7).

Contrary to the economic well-being approach, the capabilities approach rejects the idea that having enough income or opulence in itself guarantees improved living conditions. Advocates of the capability approach argue that what matters more is how well individuals function, not how much means and resources they possess (Koo and Lee,

2014, p. 123; Clark, 2005). To buttress this argument, Sen (1999) cites the example “that a person who is disabled may have a larger basket of primary goods and yet have a less chance to lead a normal life than an able-bodied person with smaller basket of primary goods” (p 74). This is to illustrate that an individual’s well being should not be based only on the primary goods he/she holds , but also the relevant personal characteristics that govern the conversion of primary goods into the individual’s ability to promote his or her needs. However, with the capability approach, it is argued that no fixed list of capabilities needs to be developed to accommodate individual and social heterogeneity, diverse values, such as equality, social justice, and human rights (Clark, 2005). This flexibility of the capability approach, however, serves as a double-edged sword. There is no consensus on the list of basic capabilities that can be applied universally across various contexts (e.g., across different countries or regions). Since there is no generally accepted list of capability sets, the capability approach is often criticized for its limited applicability and usefulness.

Inspired by Sen’s capabilities approach is the United Nations’ Human Development Index (HDI), which adds the dimensions of health and education to that of income to determine a country’s level of development. This metric system enhances the comparison of poverty from a multidimensional perspective and therefore to some extent the applicability of the capabilities approaches. The HDI ranges from 0 to 1 and the more developed a country is, the closer its HDI will approach the value 1. In the 2014 HDI ranking, Norway had the highest with 0.944 and Niger the lowest at 0.348. Ghana was ranked 140th out of 188 countries with 0.579.

Similar to the HDI is the Multidimensional Poverty Index (MPI) which is also used in the assessment of poverty in recent times. According to Alkire and Foster (2011), the MPI, which takes a more multidimensional approach to poverty, is regarded as capability deprivation (480). Like the HDI, the MPI is also based on the same three dimensions of poverty. In order to determine who is poor and who is not, Bourguignon and Chakravarty (2003) contend that “a multidimensional approach to poverty defines poverty as a shortfall from a threshold on each dimension of an individual’s well-being” (P 25). This approach also involves the notion of poverty lines, whereby the individuals below a poverty line are identified as poor. The margin of poverty is set at the point when an individual is suffering deprivation in 33% or more of the indicators (mostly related to the Millennium Development Goals) used in measuring the three dimensions of poverty – health, education and standard of living (UNDP, 2015) .

In a nutshell, the capability poverty approach incorporates individual factors into poverty definition and measurement but by doing so it might actually neglect the important roles social orders and relationships play. These institutional mechanisms are equally important since they can create obstacles or offer opportunities in transforming capability into human well-being.

Social exclusion

Another major dimension of poverty definition and measurement is social exclusion. According to this approach, someone “with adequate income and adequate capability to produce certain functioning may still be poor, if, for example, he/she is

excluded from the mainstream economic, political, and civic and cultural activities that are embedded in the very notion of human wellbeing” (Wagle, 2002, p. 162). Social exclusion affects poverty in many different ways. According to Verba et al. (1993) any form of discrimination be it explicit or implicit on race, gender or location can have an economical impact by denying some individuals access to some activities, such as entering the formal economy (p 312). Similarly, preventing people from engaging in social activities such civic associations, membership organizations, social networks, among others have negative impacts on well-being because social belonging plays an important role in increasing social capital. For instance, Haan and Maxwell (1998) demonstrate how associations such as farmers’ cooperatives have been used in addressing poverty issues among smallholder farmers (p. 5). In assessing these concepts of poverty, Wagle (2002) argues that “while all three approaches – economic well-being, capability, and social exclusion - are relevant to define, measure, and explain poverty, their meaningful integration is yet to take place” (p 162).

In spite of the different approaches used in the conceptualization of poverty, over the last few decades, poverty has been increasingly viewed as multidimensional and as such not easily defined. It is more than a lack of income or consumption; it includes a variety of social issues such as vulnerability, insecurity, isolation, exclusion and lack of power. The World Bank (1999) utilized inductive approach to uncover the dimensions of poverty. In the studies, the Bank recognized an even broader conceptualization of poverty, which includes more psychological aspects of poverty such as voicelessness and

powerlessness, feelings of vulnerability and prior risk exposure, and the subjective experiences of ill-being and well-being (World Bank, 1999, p.20).

The Development Assistance Committee (DAC) of the Organisation of Economic Cooperation and Development (OECD) also differentiates between five dimensions of poverty: **(i)** the economic dimension, which identifies poverty as insufficient income to meet basic needs; **(ii)** the human dimension, which focuses directly on accessibility to basic needs such as education, health and nutrition, without making specific reference to income; **(iii)** the political dimension, which refers to deprivation of basic political and human rights as well as limited influence on public policy making; **(iv)** the socio-cultural dimension, which indicates social exclusion and a lack of dignity within or between communities; **(v)** the protective dimension, which implies vulnerability to social, economic or security related shocks (OECD, 2001; Yankson, 2005, p. 8). These attempts made at defining poverty from different perspectives as captured above indicate that poverty never results from the lack of one thing but from many interlocking factors that make it a difficult concept to define. Aboyade (1987) in buttressing the difficulties in trying to arrive at a common and generally accepted definition of poverty argues that there seems to be a general acceptance of the fact that poverty is a difficult concept to handle, and that it is more easily recognized than defined. The complex nature of poverty has made it not easy to find a universal definition for it and that, even attempts made by some development organisations to categorize some specific areas that the definition of poverty should capture are fraught with lack of agreement. For instance, the Organisation

for Economic Co-operation and Development (OECD) Guideline on Poverty Reduction (2000) stresses that:

An adequate concept of poverty should include all the most important areas in which people of either gender are deprived and perceived as incapacitated in different societies and local context. It should encompass the causal links between the core dimensions of poverty and the central importance of gender and environmentally sustainable development (p.29).

This argument from OECD only limits poverty to the following five dimensions: economic, human, political, socio-cultural and protective capabilities. However, copious accounts from the poor themselves across the globe show that the definition of poverty and it causes vary by age, culture, gender, region and social and economic context (Narayan et al 2000: 29-30). Thus, limiting poverty to certain core dimensions cannot be said to be universal. For instance, in Ghana both rural and urban, men associate poverty with a lack of material assets, while for women, poverty is defined as food insecurity (World Bank, 1999, p 27). In the same country, the notion of poverty differs by age. Younger men consider the ability to generate an income as the most important asset, while older men cite as most important the status connected to a traditional agricultural lifestyle. Similarly, in Madagascar the notion of the causes of poverty depends on one's status and location. For instance, farmers in rural areas link poverty to unfavourable weather; the poor in the city to rising prices and fewer employment opportunities while the affluent in the city associate poverty to deterioration in domestic and international terms of trade (ibid p 28).

Adopting categorization as the standard for defining poverty creates even more disagreements as to what actually constitutes poverty at different stages of the society, be it the individual, household, community or the nation as a whole. Often times, what constitutes the definition of poverty and the measurement indicators of poverty applied in one type of society may not necessarily be transferable to other societies. The OECD (2000) states that dimensions and measures of poverty may be inconsistent, which complicates the task of identifying the poor (p. 33). In support of the argument that the pattern and shape of poverty varies by social group, location, and country, a study by the World Bank on poverty using participatory approach has shown that the poor also experience and understand their poverty in terms of a range of non material and intangible qualities such as insecurity, lack of dignity and status or a lack of power or opportunity which distinctively differs among communities (World Bank 1999, p 10).

Theoretically, poverty may also be defined in two different ways: poverty in the absolute sense, and poverty in the relative sense. The more optimistic definition uses an absolute concept of poverty; if a person falls short of a certain minimum standard of living, he/she is considered poor, and once such person passes this standard, he or she is no longer poor. For instance, the United Nations in monetary terms uses 1.25\$ as the poverty line for measuring poverty in developing countries and that if a person lives on less than the said amount in a day, he/she is considered poor . Aliyu (2003) explained absolute poverty to be “the condition where an individual or group of people are unable to satisfy their basic requirements for human survival in terms of education, health, housing, feeding employment, transportation, etc” (p,2). In support of the above meaning

of absolute poverty, Aboyade (1987) defined it as “the insufficient or total lack of necessities and facilities like food, housing, medical care, education, social and environmental service, consumer goods, recreational opportunities, neighbourhood amenities and transport facilities”(p. 7). However, what is considered as the poverty level may differ greatly from country to country and may even differ between social strata within a country. This therefore means that poverty can exist in relative terms. Relative Poverty can be described as “a situation where an individual can be said to have access to his/her basic needs, but is comparatively poor among persons or the generality of the community” (Aliyu, 2003, p. 2). Affirming the above definition of relative poverty, Baumol and Blinder (1998) described the poor as those who fall too far behind the average income of the community they live in (p, 45).

Regardless of how poverty is defined or categorised, for many decades it has been done by those who have never been affected by it. Agreeing with Chambers and Conway (1992), the architects of these poverty policies (planners) apply top-down schemes to elicit data that fit into preset boxes. These concepts and measurements usually fail to capture the complex and diverse realities of poverty hence the failure of many intervention programmes.

Jeffrey Sachs and the Poverty Reduction Agenda

As noted in the above section, poverty has been defined and described in various ways by several organisations and individuals. One of these individuals whose conceptualisation of poverty has had profound influence on development programmes in the 2000s is Jeffrey Sachs with his book *The End of Poverty: Economic Possibilities for*

Our Time and his role as the Special Adviser on the Millennium Development Goals to then Secretary General of the UN, Mr. Kofi Annan.

As concerned as Sachs appears to be about the world's poor he makes a proposal for ensuring development and overcoming poverty in poor countries particularly in Africa. Sachs argues that "all parts of the world have the chance to join an age of unprecedented prosperity building on global science, technology, and markets" (Sachs, 2005, p2) to promote economic development. However, he explains that the success of the market as an engine of development is based on certain preconditions, which are the availability of basic infrastructure (roads, power, and ports) and human capital (health and education). Without those preconditions, markets can cruelly bypass large parts of the world, leaving them impoverished and suffering without respite.

Hence, to ensure that the market brings about economic development, Sachs argues that countries should focus on key public investments such as the provision of health, education, infrastructure, and be supported by foreign assistance when needed while they desist from inward-looking development strategies that are based on heavy state involvement (ibid, p 3). Thus, in essence, Sachs argues that economic growth by the market is an important instrument in ensuring development but poverty can be an impediment. He further argues that when poverty is very extreme, the poor become trapped and do not have the ability by themselves to get out of it. This is because when the people are utterly destitute, all their energies go into survival and there is no capacity to save and accumulate the "capital per person" needed to lift themselves out of poverty (Sachs, 2005p 56). Hence, the need to help provide poverty reduction programmes and

projects in order to place the poor on the “bottom rung of the ladder of development” from which they can help move themselves upwards (Ibid p 244).

At the international level, Sachs argues that in order to ensure economic development in the poorest countries there is the need to help these countries gain a foothold on the ladder. Rich countries do not have to invest enough in the poorest countries to make them rich; they need to invest enough so that these countries can get their foot on the ladder. After that, the tremendous dynamism of self-sustaining economic growth can take hold (ibid p73). Thus, according to Sachs, development can be interpreted as economic growth by the market which he believes will co-exist with a reduction in poverty.

On this basis, Sachs makes a proposal for overcoming poverty which serves as an impediment to development in poor countries, particularly in Africa, and first begins by identifying the causes of poverty in developing countries. Sachs rightfully argues that the long-held notion that corruption and poor governance are mainly responsible for poverty in the global South is one based on wrong analysis, but he disappointingly outlines factors which are equally contentious to be responsible for poverty in Africa; some of these factors are malaria, AIDS, Africa’s few navigable rivers, worsening droughts, and lack of infrastructure (Ibid, 188-209). He continues by proposing that the international development community can overcome poverty by using a “differential diagnosis” to identify “basic needs”, which are listed in the UN Millennium Project report that he chaired. These include primary education for all children, with designated target ratios of pupils to teachers, nutrition programs for all vulnerable populations; universal access to

anti-malarial bed nets for all households in regions of malaria transmission; access to safe drinking water and sanitation; one-half kilometre of paved road for every one thousand people; access to modern cooking fuels and improved cooking stoves to decrease indoor air pollution (Sachs, 2005, p. 292-293). Despite the report being framed in the discourse of human development, it retained commitment to Washington Consensus fundamentals concerning free trade, export-led development, and macroeconomic stability.

Sachs' proposal for poverty reduction, which was basically neoliberal in nature, became very important for the survival of neoliberalism in the late 1990s when it had become apparent that the SAPs, which introduced neoliberal policies in Africa, had failed and brought hardships to African countries (Bond and Dor, 2003). His proposal, which was a neoliberal project, but framed in a poverty reduction discourse became the bottom line of development theory and gained resonance with the international development community. The proposal was incorporated in many international development policies and programmes in the 2000s, including the PRSP and its associated HIPC initiative and the Millennium Development Goals, which all focused on bringing the extreme poor to "the bottom rung of the ladder". However, after years of aid-dependent countries including Sachs' solution for ending poverty into their national Poverty Reduction Strategies, the levels of poverty still remain unabated and in some countries poverty has actually increased (see Okolo 2012).

This obviously points to the fact that there are some weaknesses associated with Sachs' proposal for development. His proposal to ensure development in the global South espouses the same neoliberal model of development which had failed in developing

countries under Structural Adjustment Policies as his argument can be summarized as: while poor countries should still pursue trade liberalization, privatization and stabilization, the burden of poverty reduction should not be so heavy on them; they should be supported with aid. Moreover, Sachs' argument takes a limited approach to poverty reduction as he suggests developing countries continue pursuing neoliberal policies which will engender economic growth for poverty reduction.

Additionally, his proposal that the provision of basic needs, such as primary education, food, safe water, mosquito net among others, to the poor will uplift the poor to the bottom rung of the development ladder where they will be able to escape poverty by themselves over the years has proved to be inadequate in reducing poverty. This is because it assumes a limited approach to poverty reduction. For instance, urging poor countries to concentrate on primary education as a means of reducing poverty implies focusing their limited educational budgets on primary education at the expense of training skilled personnel at higher institutions is quite problematic, particularly when the primary educational system does not provide people with the skills needed to get a job or create an employment opportunity for themselves. A study by Gay (2005) in Lesotho shows that the government's policy of free universal basic education encouraged high basic school enrollment, however, about 70 percent of students terminated their education after completing primary school because there was not enough government provision to ensure continuation. Many of these students ended up jobless and poor because they lacked the skills to get a well-paid job or create employment opportunities for themselves (252).

Another major challenge with Sachs' proposal is the elision of processes that will ensure that developing countries industrialise. One could argue rightly that development solutions for poor countries, particularly those in Africa, which are endowed with natural resources should focus largely on how to add value to these resources. This is because such approaches to development will create employment and reduce the over dependence on imported value added goods in developing countries which has created huge developmental bottlenecks such as trade deficits, balance of payment deficit among other development challenges for poor countries. Thus, in order for poor countries to develop, they must go beyond the suggestions of Sachs and the international development community.

Neoliberalism as Part of International Development Programmes

Neoliberalism is a response to social liberalism in the late 20th century; it led to monetarist economic policies and a reduction in the government provision of social services. It all came about in the wake of the severe recession in the global North and the world's economy as a whole in 1979, which precipitated the so-called debt crises in the South in 1981 -1982 (Crouch ,2011,p2). This development model came out as a result of the disillusionment that the involvement of the state in economic and social life led to economic inefficiencies, bureaucracy, and unnecessary drain of the public coffers. Hence, the need to sell loss-making and inefficient public enterprises and government parastatal corporations and make the market the new economic regulator.

In essence, neoliberalism is an economic agenda that seeks to deregulate the market as much as possible to promote free trade. The neoliberal ideology after its introduction rapidly became the economic orthodoxy in the global North and was exported to the South via policies and measures formulated to address the debt crises. What defines the concrete policies advocated by neoliberalism is believed to be John Williamson's "Washington Consensus", which is a list of policy proposals that is believed to have gained consensus approval among the Washington-based international economic organizations, the IMF and the World Bank. These proposals include fiscal policy discipline, the redirection of public spending from subsidies toward broad-based provision of key pro-growth and pro-poor services, tax reform, competitive exchange rates, trade liberalization and liberalization of inward foreign direct investment, privatization of state enterprises, deregulation, and legal security for property rights (Veltmeyer, 2012).

Neoliberal policies are mainly exported to developing countries, particularly the global South by the World Bank in the form "recommendations" as part of a debt relief package. However, most of the times, these recommendations are tied to binding conditionalities such that countries virtually have no options. Even if these countries disagree with the recommendations, they are bound to implement them, if they wish to continue receiving debt relief or receiving concessional lending, or even grant-based technical assistance. These neoliberal policies have been an integral part of international development programmes that have been imposed on developing countries which include

Structural Adjustment Programmes (SAP), the Heavy Indebted Poor Countries (HIPC) initiative and the National Poverty Reduction Strategy Papers (PRSPs).

Structural Adjustment Policies (SAPs)

The SAPs were first introduced to the global South in the early 1980s by the IMF as a result of the inability of most these developing countries to service their foreign debt (Bond and Dor, 2003, p. 2). The IMF provided a bailout for these indebted poor countries and in exchange gained power over the poor countries to impose conditionalities in the form of austere macroeconomic policies, which emphasised liberalisation, export orientation, currency devaluation and an end to social subsidies. These imposed conditionalities were eventually applied to broader structural issues in the national economies of those poor countries, hence the name structural adjustment policies (Mckinley, 2004, p. 2). The World Bank also stepped in, expanding beyond individual project and sector loans so as to finance the full-fledged structural adjustment.

Consequently, the overall national development strategies of poor countries were replaced with by the IMF's Structural Adjustment Policies (SAPs). The claim made by the IMF for imposing the SAPs on poor indebted countries in the global South was that it will make these countries become viable members of the international economy, and not least enable them to meet their debt obligations as the programmes will bring about economic success (Gunter, 2002, p. 7). Similarly, the World Bank, whose previous interest was centred on poverty and infrastructure development, joined the IMF in the SAP evolution with the justification that the programmes will foster growth and reduce poverty

(Mckinley, 2004, p. 2). However, these claims made by the IMF and World Bank remained elusive throughout the period of the SAP implementation until it was replaced.

There is little doubt that the effects of SAPs in poor countries, particularly in Africa led to worsened conditions. The debt crisis of developing countries remained unsolved and actually worsened over time .In 1997 for instance, developing countries found out they still had more than \$2 trillion in foreign debt to repay compared to \$1.3 trillion during the early 1980s when the debt crisis broke out and \$1.4 trillion in 1990. As a result, developing countries had to pay more in debt servicing and in the same 1997 for example, they paid \$270 billion to service their debt compared to \$160 billion in 1990. Similarly, in Africa alone, countries that implemented the SAPs paid \$162 billion more than they received in new loans in 1997, up from \$60 billion in 1990 (Jubilee 2000, 1997).

Moreover, the quality of life of people in countries that implemented the SAPs declined considerably as prices of commodities increased , infrastructural development and social service provision deteriorated and employment opportunities were reduced (Konadu-Agyemeng, 2000, p.482). It was also noted that currency devaluation, which was a major part of the SAPs and intended to make exported goods from developing countries cheaper in order to increase their demand, had adverse effects on the prices of non-traded items, especially household necessities as these items became too expensive to purchase locally. For instance, Riddel (1992) noted that the prices of basic household commodities in Sierra Leone skyrocketed immediately after devaluation in 1986: a bar of soap from 0.50 to 2.00 leone; a bunch of fire wood from 1.50 to 4.00 leone; a gallon of

kerosene from 9.00 to 23.00 leone: and a chicken from 20.00 to 80.00. The devaluation also increased the cost of many other essential items, particularly imported heavy duty equipments such as farm and factory inputs needed to boost production, medicines and medical equipments needed to provide better a health-care system, among other items needed for infrastructural development (57). The consequence was that life became too expensive and that there was a reduction in the standard of living, particularly for the poor in many of the countries that implemented the SAPs.

In addition, the conditionalities under the SAP, which forcibly prevented governments from influencing the working of the economy, affected the lives of many people in those countries negatively. This was mainly because the greatest source of employment in most of these countries prior to the SAPs was found in the public sector. For instance, in Ghana, 1000s of jobs were lost after state-owned companies were privatised and many government parastatals collapsed (Gregory, 2014, p 17). Notwithstanding, the liberalisation of trade led to the loss of employment as several local industries collapsed as a result of increased imports. The SAPs also introduced unprecedented cuts in government expenditures on public services and social welfare and user fees for health and education, which did not only increase the number of the poor , but also increased their plight by making them even poorer.

Above all is the failure of the SAPs to produce growth that was sufficient and pro poor enough to reduce poverty and hardships that the introduction of the programmes had created (Adejumobi, 2006, p. 3). As a matter of fact, the adverse effects of the SAPs were many and these were also evidenced in economic crises that affected most of these

countries, particularly in Africa as they experienced economic decline during the period of the programmes' implementation. In sub-Saharan Africa, countries under the Structural Adjustment Programmes experienced growth decline from 2.7percent in 1980 to 1.8percent in 1987 as well as decline in the investment/GDP ratio from 20.6percent to 17.1percent in those same years (UNECA, 1989, p. 22-23). The SAPs were also noted to have engendered various forms of inequalities in countries as growth failed to trickle down to the poor and in turn served as a ground for further deepening of poverty (Konadu-Agyemeng, 2000, p. 480). In Ghana for instance, the SAPs were noted to have contributed to increasing inequality, particularly horizontal inequality as they involved large-scale changes in the distribution and redistribution of resources, which left some places particularly northern Ghana worse off (ibid).

Thus, despite the claim by the IMF and the World Bank that SAPs will make countries adjust their economies and make them economically viable in order to address their debt issues as well as reduce poverty, the programmes rather entrenched poverty and increased the debt burden of the countries that implemented them. These economic crisis and social hardships, which were associated with the SAPs, called for criticisms against the programmes such that World Bank and IMF responded to these criticisms by introducing the *Structural Adjustment with a Human Face*, which was first experimented in Ghana as the Programme of Action to Mitigate the Social Costs of Adjustment (PAMSCAD). This intervention was followed by the HIPC initiative in the mid 1990s by the Bretton Woods institutions to assist countries that implemented the SAPs to address their debt burden.

Highly Indebted Poor Countries (HIPC) Initiative

The HIPC initiative is a framework jointly developed by the World Bank and IMF in 1996 to address the external debt problems of the heavily indebted poor countries (HIPCs) by reducing their debt burden to sustainable levels (Boote and Thugge, 1997, p. 2). This initiative defines a country as heavily indebted if so-called ‘traditional debt relief mechanisms’ are unlikely to reduce its external debt to a sustainable level with the debt sustainability largely determined by a net present value (NPV) debt-to-export ratio of 200-250% (Gunter, 2002, p. 5).

However, three years after launching the initiative, it was clear that the original HIPC framework was not a sufficient solution as poor countries foreign debt kept increasing (ibid, p. 6). As a result, there were criticisms and protests against the HIPC initiative with some calling for the debts of poor countries to be entirely cancelled. Some of the major arguments raised in support of the debt cancellation were that the international financial institutions and the trans-national corporations had caused and were continuing to cause extensive damage to the people and environment in global South. As such, northern countries were also indebted to poor countries in ecological and historical terms; hence the debt of poor countries in the South should be cancelled (Bond and Dor, 2003, p. 8). These demands against the HIPC initiative towards the end of the 1990s yielded results as at the G8 meeting in Cologne, Germany, in 1999, the government leaders announced to overhaul the HIPC initiative, which later came to be known as the enhanced HIPC or HIPC 2.

Under the HIPC 2, the World Bank and IMF imposed upon HIPC countries a new requirement; they would be required to produce PRSPs showing strategies that would be used to reduce poverty in order to be eligible for debt relief and for new borrowing (Abdullah and Hulme, 2014, p. 6). However, under PRSP approach, the World Bank and IMF placed emphasis on country ownership of development policies and civil society participation in the formulation of National Poverty Reduction Strategies. Thus, the PRSPs were intended to be distinguished in approach from former SAPs, which were a failure. The IFIs emphasised on broad based participation and national ownership of policies as part of the enhanced HIPC initiative because according to them, the failure of the SAPs was mainly the lack of national enthusiasm to implement the SAPs, undemocratic governance as well as corruption (Stewart and Wang, 2003, p. 2).

In so doing, the IFIs used the PRSP under the enhanced HIPC initiative to create a false impression that they were keeping the undemocratic and corrupt indebted countries on the straight and narrow. Moreover, by linking the enhanced HIPC debt relief to the preparation and implementation of nationally-owned poverty reduction strategies, it appeared that the IFIs were concerned about poverty reduction, hence placed the debt relief initiative within an overall framework of poverty. This was a smokescreen; the PRSP was another form of conditionality used to promote the neoliberal policy advice espoused by the IFIs during the era of Structural Adjustment Policies. The PRSPs emphasised on policies such as trade liberalization, fiscal and monetary discipline, privatization of state-owned businesses and deregulation of labour markets as part of the PRSPs requirements (Rückert, 2007, p. 100). Thus, under the banner of the HIPC

initiative, debt was not taken seriously as a technical problem that needed to be solved. Rather, it was used as an instrument by the IFIs to further tighten their grips over poor countries in keeping them under neoliberal agenda, particularly at the time that the neoliberal practice was under criticism and faced the threat of replacement.

The Poverty Reduction Strategy Papers (PRSPs)

As noted above, the PRSPs were introduced in 1999 as an international development policy following the criticisms of the Structural Adjustment Policies for rather aggravating poverty in poor countries. A key criterion for the implementation of the PRSP initiative has been that a country must already have implemented, to a degree, IMF and World Bank-supported SAPs. In the absence of this, Interim-PRSPs would have to be implemented in order to gradually create the legal and policy bases for the introduction of the comprehensive Poverty Reduction Strategy (Stewart and Wang 2003, p 8).

The PRSP is said to be uniquely presented on three accounts, which makes it different from the SAPs. Firstly, it is foregrounded in the concept of poverty reduction, which represents an overall poverty reduction strategy framework on an individual country basis, integrating policy and budgetary commitments across sectors and between macro- and micro-levels. Secondly, the policy content of a PRSP is to reflect the concerted policy co-ordination efforts of relevant global institutions whose goal is the advance of the development project (Werber, 2006, p. 193). Thirdly, it requires

participatory processes, especially at the community level. Thus, it advocates for a policy formulation process that advances a ‘bottom-up’ rather than a ‘top-down’ process of governance. In this context, the PRSPs were presented as ‘country-owned’ and ‘country-driven’ project. According to IMF (2000), this emphasis on country ownership and participation were both “intended to reduce the risk of slippages in implementation as the countries themselves take greater responsibility for the design and success of their economic plans”, and also ensure the accountability of decision-makers to domestic constituencies (p. 114). Moreover, broad-based participation and national ownership were expected to enhance the accountability of decision-makers to domestic constituencies (Hickey and Mohan, 2008) and by extension “elicit greater commitment to equitable and efficient development policies” (Booth, 2005, p. 1).

From what are stated above to be the principles of the PRSP, it is clear that the PRSPs seek to make reforms that are different from the SAP, particularly with regards to its political premises, which emphasises on country ownership. However, analysing the design and implementation of the PRSPs shows that the PRSP approach does not differ in process and content from earlier SAPs. In what follows, we will interrogate some reforms associated with the PRSPs; its principle of country ownership and the content of the PRSPs in order to determine if the PRSPs indeed differ significantly from the SAPs.

The claim that the PRSPs are country owned is highly debatable, particularly when the PRSPs are supposed to be compatible with the guiding policies set in the PRSP Sourcebook, which are drafted to reflect the “institutional objectives of the World Bank and IMF” (Werber, 2006, p. 193). Notwithstanding, the approval of the national poverty

reduction strategies are subject to the decision of the executive boards of the World Bank and IMF, based on conditionalities that cover all important social measures, governance reforms, anti-poverty strategies themselves and most importantly, economic decisions and many structural policies. As a matter of fact, the World Bank and the IMF over the years have been increasingly dictatorial, controlling developing countries through increased conditionality to ensure that these countries oblige to their neoliberal agenda as against pursuing the challenging process of achieving outright ownership. For instance, in Honduras an NGO network, *Interforos*, was told by government officials that ‘the Fund’s conditionalities with regard to macro-economic policies were not negotiable’ (Knoke and Morazan, 2002, p. 16). This notion of placing conditionalities on national policies of developing countries by the IFIs creates a conflict of interest, which sabotages the so called PRSPs’ principle of country ownership. The IMF and World Bank, which place a great deal of emphasis on supporting capacity development for national ‘ownership’ of PRSPs, cannot be the same institutions that set the conditionalities for countries. Moreover, the act of the IFIs dictating to aid recipient countries in the form of conditionalities disempowers these countries from designing and embarking on their own national strategies as they are made to only tailor their policies to satisfy external priorities. In essence, the notion of conditionality and the conflict between this and ownership is a significant contradiction that makes the PRSPs’ basic principle of country ownership impotent.

As part of the reforms to ensure that the Poverty Reductions Strategies increase country ownership, donor community puts a great deal of emphasis on the need for broad

based national participatory processes. However, while the PRSP process assumes that participation will increase national ownership, analysts have argued that how far it does depend on who participates, whether participation actually affects the design of the programmes, or merely provides endorsement to externally designed programmes (Whitfield, 2005, p. 648). However, the PRSPs have failed to address some of these critical issues of which actors should be involved and what degree of influence should each actor have in the national participation process and how national consensus should be achieved. Consequently, what has happened is that most countries that implemented the PRSPs, national participation has been so limited that civil society, community groups and the general public are often by-passed or involved scantily in consultation process designed to elicit it a rubber stamp for strategies already formulated (Driscoll and Evans, 2005) . Stewart and Wang (2003) in their analysis of the first 30 PRSPs produced, concluded that national participation in the PRSPs was seriously flawed because of some of these reasons : **(i)** key sections of civil society (e.g., women, religious organisations, workers' movements, rural groups) and government (e.g., line ministries and parliament) were missing from the process or insufficiently represented, **(ii)** the design of participation specifically excluded or neglected particular groups of the general public .**(iii)** the participation was narrowed by rushed timeframes, a lack of information, poor dissemination in appropriate languages, and consultation processes which failed to reach local and rural communities (p.16). A significant revelation in their analysis was that in almost no case did civil society participate in the drafting the framework for initial PRSPs. In most cases, the civil society was presented with drafts formulated by small

teams of external consultants or central ministry staff (ibid 17). In Ghana for instance, PRSP was mainly between the executive branch of government and the donor community, such that even the parliament was largely by-passed in the process of donor-government 'policy dialogue' (Whitfield, 2005, p. 648). Thus, as far as national PRSPs are concerned, the principle of national ownership is seriously flawed as national participation has not been broad based but limited to few government officials.

It has also been argued that the most effective way to assess whether the PRSPs have increased the ownership of policies of aid recipient countries is to explore how the national PRSPs differ from one another and also how far they have altered the basic thrust of the IFIs' SAPs (Werber, 2006, p. 6). In this sense, we would expect that if the PRSPs were truly nationally owned, at least some of them would exhibit different strategies or propose strategies that are different from the standard aid-policy prescriptions in the past. However, a striking feature of nearly all PRSPs is the consistency among their approaches to poverty reduction. All country programmes are based on the premise that private-sector led growth is the most effective way to reduce poverty (Adejumobi 2006, p. 19) and most do not consider alternative approaches to poverty reduction, particularly those with an element of resource redistribution (Stewart and Wang, 2003, p. 20).

In addition, the macro-economic and structural contents of most countries' PRSPs also reveals that there is no fundamental departure from the kind of policy advice provided under earlier Structural Adjustment Programmes. A study of the first 30 completed PRSPs shows that these policies contain all the elements designed to promote the role of the market and espousing reforms such as financial and trade liberalisation,

public sector reform, sectoral policies in infrastructure, energy and manufacturing and social sector reform that were paramount in the first generation aid policy prescriptions (Stewart and Wang, 2003, p, 20-22). As a result, the PRSPs have been widely recognised as Structural Adjustment with few modifications on the social content imposed on aid recipient countries.

The fact that so little variation of policies, particularly macroeconomic policies exists across an extremely broad range of country PRSPs, and that these country programmes are conditional on IFIs endorsement before qualifying for new lending, strongly suggests that national ownership was greatly constrained. Moreover, the widespread limitation of citizens' participation in the PRS process in various developing countries that implemented the PRSP suggests the policies were not nationally owned.

In essence, the so called reforms of country ownership and broad based participation which signal true national ownership of policies claimed to be made towards the PRSP approach has not produced changes in the ways in which the IFIs operate in developing countries. These reforms have been used as a 'hoax' by the IFIs to regain the credibility and re-establish their hegemony after they were criticised for the introduction of the SAPs and more importantly deepen neoliberal domination in the South. The PRSPs have been used to only create a perception of possession in the minds of governments and local people of developing countries as they are induced to believe they have ownership of policies when in essence they are only allowed to tinker around policies that are already made by donors. These poor countries are only encouraged to agree with a pre-determined set of external policy conditionalities that serve the interest of the

neoliberal agenda. For the PRSPs to achieve genuine national ownership there is the need for national empowerment, a situation where both government and the civil society have a greater say in the design of policies that affect them

Poverty Reduction and Increased Regional Inequality

Since the introduction of the PRSP and its associated enhanced HIPC initiative, which were both placed within the overall framework of poverty reduction, regional disparity within countries has been on the rise such that countries like Ghana and Uganda, even touted by the IFIs to be successful with the implementation of the Poverty Reduction Programmes have experienced regional disparity (see Okolo 2012, p34). Yet, the issue of reducing spatial inequalities in countries that implemented the Poverty Reduction Programmes appears to have received limited attention in the Poverty Reduction Programmes debates. In this section of the review, we will analyse these Poverty Reduction Programmes and their impact on regional inequality

First of all, as noted above, the PRSP and the enhanced HIPC initiative as poverty reduction programmes were used by the IFIs to promote neoliberal policies such as trade liberalization, fiscal and monetary discipline, and privatization of state-owned businesses and deregulation of labour markets in order to promote their neoliberal agenda in poor countries. These neoliberal policies, particularly the macroeconomic policies such as the reduction in trade barriers, market deregulation among other liberal policies have ushered developing countries into the global economy (Kanbur and Venables, 2005, p. 1). According to Deardorff and Stern (1994), neoliberal policies that promote global trade

address issues of regional inequality in developing countries. This is because globalisation leads to greater specialisation in production and the dispersion of specialised production processes to geographically distant locations and this is expected to benefit developing countries, especially poor regions within these countries, which have comparative advantage in producing unskilled labour-intensive goods and services. Another argument in support of neoliberal policies addressing regional inequalities within countries is the World Bank's argument which states that neoliberal policies expedite national growth which will trickle down to reduce poverty under which reducing spatial dimensions of poverty is subsumed (World Bank, 2009).

Contrary to these arguments, evidence from many developing economies including Ghana, shows an increasing regional disparity since the implementation of the neoliberal policies (Aryeetey-Attoh and Chatterjee, 1998, p.34; Grant and Nijman, 2003, p. 467). According to Fan et al, (2009), neoliberal policies, which promote global trade, benefit regions with geographical advantage such as those found on the coast disproportionately compared to interior regions of the same country due to their proximity to the international market and more developed economies (p 9). In support of this argument, Ghana, since the introduction of the neoliberal policies has been experiencing an increasing differences in poverty reduction between Greater Accra region, which is located at the coast and also serves as the country's gateway to the global market and other interior regions, particularly those in the North, which are on the margins of global capitalist market (GSS, 2007, p. 17). Grant and Nijman(2003) also note that the pursuit of neoliberal policies in Ghana, has benefited Greater Accra region more than any other

region as its share of the country's FDI has grown from about 60 percent in the 1980s to about 86 percent in 1999 (p. 474).

Brown et al (2007) also argue that the pursuit of neoliberal policies such export promotion in developing countries mostly benefit regions whose geographical locations and other initial conditions are better suited for export-oriented production as they grow faster than regions without or with less conditions suited for export production (4). To corroborate this argument by Brown et al (2007), Aryeetey et al (2009) noted that export promotion under Ghana's Poverty Reduction Programmes has enhanced growth and poverty reduction in the country's South where most of the country's exports are produced compared to the North whose economy is dominated by local food production (p,11).

In addition, it has been contended that the PRSP and HIPC have been used to further weaken the control of poor countries over powerful global actors, with adverse consequences on the ability of national governments to implement policies of their choice (Mkandawire, 2004; Abdulai, 2009), including their scope to attend to more equitable forms of development. In support of this argument, a review of the first round PRSPs by Booth and Curran (2007) shows that majority of countries' PRSPs had recognised the need to address regional inequalities as a major objective in their policy documents (p. 3, 4). However, in the implementation of these PRSPs, most of these countries did not adequately address the problem of regional inequality. Rather, almost all the countries were focused on the implementation of the neoliberal macroeconomic policies imposed on them by the IFIs which were expected to be met in order for these countries to be

considered for loans under the HIPC initiative. As a result, regional disparities in many developing countries have persisted and in some cases, even worsened over the years of PRSPs implementation (ibid, p.13). In related argument, (Obeng-Odoom, 2012) notes that the pursuit of neoliberal policies under the PRSPs promote a pro market economy in most poor countries where the market usually multinational companies become important instruments of development which can influence the location of economic activities (p. 95). Also, Aryeetey et al. (2009) in support of the above argument, have contended that in a pro market economy where market becomes a dictator of economic activities determining the location of economic resources, regional inequalities increase. This is because in such pro market economies where the market influences the location of economic activities, new economic activities and growth tend to be concentrated in an already 'developed' region where economies of scale are enjoyed and returns on investments are relatively higher rather than the 'lagging' or 'undeveloped' regions (p,6). In corroborating the above argument, a recent study by Grimm and Klasen (2007) in 14 developing countries evinces that in a liberal, pro-market economy, where the role of the state is confined to creating a level playing field for private sector-led growth, inhabitants of underdeveloped regions have been further marginalized with poverty incidence increasing in those regions (15).

Another argument made to emphasise increased regional inequality under the PRSP and the HIPC initiative is that aid under these policy programmes given to poor countries, especially those with ethnically-biased governments to spend on poverty reduction programmes and projects, are abused in their implementation to favour some

regions ahead of others (Brown et al 2007, p 9). These authors cite the case of Nepal where for a long time the government has been ethnically biased as an example. The authors note that General Budget Support (GBS), which is a form of aid under the PRSP and the HIPC initiative, in Nepal has been used to favour areas where politically dominant groups, the Brahmin, Chhetri and Newar ethnic groups live as opposed to other ethnic groups (ibid). Similarly, Abdullah (2012) shows how the distribution of projects under the HIPC initiative in Ghana benefitted the southern part of the country more than the country's northern part because influential positions in government at time was dominated by 'Southners' (P, 170-177). These examples about the unequal spatial distribution of resources under the HIPC above raise questions about the "theory of political change that underlies PRSPs which assumes that the principle of national ownership will lead to equitable development within countries" (Hickey and Mohan, 2008). The implicit assumption of the PRSPs that national ownership will lead to equitable development in poor countries is a 'mistaken' interpretation of the character of politics in most developing countries, which is highly influenced by politics of clientelism.

Thesis Statement

Despite Ghana's PRSPs' claim that the programmes will reduce poverty, we are arguing that the design and implementation of the PRSPs and HIPC initiatives have instead enhanced regional inequality between the country's northern and southern regions

with the South experiencing a decrease in poverty levels while the North saw an increase.

We are making this argument for the following reasons:

First, the PRSPs are firmly grounded in the neoliberal ideology, which prioritises the promotion of export-oriented policies, and market-oriented policies and thus, tend to benefit regions with the characteristics or conditions that support these policies rather than regions without such conditions. For instance, regions with commodities that are in demand in the global market under export promotion policies benefit more than regions without exportable commodities because the former attract more investment particularly FDI than the latter. Also, neoliberal policies such as trade liberalisation, among others, which promote global trade, concentrate trading activities in regions with geographic advantages such as regions with sea ports as they usually serve as the national gateway to the international markets. Thus, regions with such geographic advantages under neoliberal policies tend to benefit more than interior regions which are located on the margins of the global economy. Similarly, relatively developed regions with economic and commercial activities under the neoliberal economic model of the PRSPs, attract more capital particularly from the private sector than less developed regions because the former enjoys economies of scale of production.

Second, HIPC resources, which are supposed to be used for poverty reduction programmes and projects, in many developing countries are abused in their implementation process to favour some regions ahead of others. One major reason noted for this, is the large presence of politics of clientelism and patronage spending in many of these countries which exposes the weakness in the PRSP framework which assumes that

its principles of country ownership and public accountability will engender equitable development outcomes. In what follows, we will see how the implementation of the PRSP and the distribution of the HIPC funds favoured Ghana's southern regions more than the northern regions.

Ghana's PRSPs promoted export-oriented policies, which favoured the country's South where the export sector is largely concentrated and there is better access to the seaports and relatively lower transportation costs. Ghana's PRSPs particularly favoured the cocoa sector, which constitutes the country's highest export earnings and mainly concentrated in southern Ghana, by providing the sector with support such as increasing the producer price paid to cocoa farmers, free mass spraying of cocoa farms to control pest and diseases among others in order to increase its production and export.

Consequently, this preferential support given to the cocoa sector coupled with a relatively high international market price in the 2000s led to the increase in its production. This contributed to poverty reduction in the South, particularly in the rural areas where poverty is relatively high. However, the North's economy mainly centred on local food crop production which was neglected under the PRSPs. Notwithstanding, cotton, the major cash crop from the North did not receive any major support under Ghana's PRSP mainly because of the less profitability of the sector, which was mainly due to very low world market price in the 2000s. Additionally, the country's already developed South, which relatively enjoys economies of scale of production such as better transportation system and other infrastructure, benefitted from private sector development policies pursued

under country's PRSPs as productive investment from both the private and public sector were concentrated in the South.

In addition, the distribution of the country's HIPC grant influenced by politics of clientelism in the country favoured the South where the ruling party then had its support base. In a nutshell, this thesis argues that Ghana's PRSP increased the inequality between the country's North and South mainly because the country's Poverty Reduction Strategies Papers and the enhanced HIPC initiative were used to promote the neoliberal policies, which served the neoliberal agenda of the IFIs. These neoliberal policies however, benefitted the country's South by reducing poverty in the regions as it had the resources and economy that serve the neoliberal agenda while the North, which had a different economy was neglected.

Methodology

In order to support my thesis statement that the PRSPs promoted neoliberal policies which benefitted the country's South more than the North, we analysed Ghana's PRSPs and the HIPC initiative to determine how these policies influenced the country's North and South inequality. Thus, this study is a policy analysis of the Poverty Reduction Strategy and its associated HIPC initiative in Ghana. To this analysis, we looked at the

outcomes of Ghana's implementation of its PRSPs and HIPC initiative; how they benefitted the South more than the North.

In order to achieve this objective, the following four main sets of data were used.

(i) the regional composition of HIPC expenditure, and this data was used because the HIPC initiative was a major donor support of which 80 percent of the monies realised from it was supposed to be used for poverty reduction in the country; (ii) regional distribution of private sector-led investment under the period of PRS implementation (2000 to 2010), and this data was used because private sector development was the central theme of the GPRS I; (iii) the production of major export commodities and this study utilises the production of the two main cash crops from the North and South, cotton and cocoa respectively. This data was chosen because Ghana's PRSP, particularly the GPRS II main focus was on promoting export agriculture as a means of reducing poverty in the country ; (iv) regional performance of the MDGs from (2000 to 2013), this data was chosen because both the country's PRSPs and HIPC initiative were supposed to be the guiding policies for achieving the MDGs

The data used in the study was garnered from a variety of primary and secondary sources. Primary data used includes data from Ghana Living Standard Survey (GLSS) from the Ghana Statistical Service (GSS), Institute of Statistical, Social and Economic Research (ISSER University of Ghana), SEND foundation, the websites of the World Bank, IMF, UNDP, ADB and UNECA, FAO, from other websites, databases, archival records and newspapers. Secondary data was gotten from journal articles and books.

The research conducted for this policy analysis just as almost every research has its limits, had its own. One major methodological challenge faced in this study was the problem of limited data particularly data that was regionally disaggregated. One of such difficulties was the collection of data on regional distribution of HIPC resources. In accounting for the regional distribution of the HIPC resources, we mainly used direct disbursement of the HIPC funds to the various district assemblies in all the regions even though considerable amount of the resources was given to central government Ministries, Departments and Agencies. This was because getting regional data on HIPC resources given to these Ministries, Departments and Agencies proved to be almost impossible as documents containing such data are mostly not in the public domain. Nonetheless, we managed to get some of the data on HIPC funded projects and programmes from the Ministries, Department and Agencies which regional data was available was used.

Another major difficulty that this study was confronted with was using poverty figures from the Ghana Living Standard Survey 6 in 2012/2013 (GLSS 6) which is the most recent data on national poverty figures .The study for most part could not utilise GLSS 6 poverty figures because of a rebasing of the poverty line in 2012/2013 that caused a break in the series of living standard survey conducted from 1991 to 2006 , thereby making it difficult to carry out a regional trend analysis from 1991/92 which is very important for the purpose of this study .As a result , this study for most part resorted

to poverty data from GLSS 3 (1991/1992), GLSS 4(1998/1999) and particularly the
GLSS 5 (2005/2006)

Chapter 2: Ghana's North – South Regional Inequality

Introduction

In this chapter, we will begin by showing a brief regional profile of Ghana in order to show a distinction between the regions referred to as the North and those referred to as the South. We will also show the differences in geography and economy of these regions in order to present a true picture of the divide between the North and South. In this chapter, we will also discuss the origin of North and South inequality in Ghana. After that, we will outline and discuss the many development initiatives undertaken by Ghana to address the development gap that has existed between the North and South of the country from its independence till 2000, which is the period before the implementation of the country's PRSP and its associated HIPC initiative.

Country Background: the Distinction between North and South

Ghana is located in the West Africa sub-region of Africa. It has an area of about 238,537km², and is bordered on the east, west, and north by the countries of Togo, Cote d'Ivoire and Burkina Faso respectively. However, to the South it is bordered by the Atlantic Ocean. Ghana's total population in last population census in 2010 was 24.5 million with an estimated annual population growth rate of 2.5%. About 56 percent of the country's total population lives in rural areas, and the remaining 44 percent live in settlements defined as urban that is settlements with 5000 or more inhabitants. (GSS, 2013, p. 50). The country is divided into 10 administrative regions, and each of these regions is further sub-divided into districts. Each region and district has its own regional

capital and district capital respectively. In all, as of 2015, Ghana had 10 regions and 216 districts in the country. According to Ayeertey et al (2009), this division of the country into districts and regions, is largely based on the need to maintain large cultural groups as homogenous units as well as the need for efficient administration of districts and regions (Ayeertey et al, 2009, p 7).

Ghana covers an area of about 239,000 km² and comprises three broad distinct ecological zones: a small coastal zone, a forest zone and a large savannah zone in the North (McKay et al., 2005). Given significant regional development disparities, however, some scholars have suggested the need to think of Ghana as comprising just two broad regions, the North and the South (Boateng et al., 1990, p. 29). However, the regions administratively referred to as the “North” are also referred to as the Savanna regions because the savanna vegetation of the country is found in these areas. The North refers to three administrative regions in the northern part of the country: the Northern Region, Upper-East Region and Upper –West Region. The remaining seven referred to as the southern regions include Ashanti, Brong-Ahafo, Central, Eastern, Greater Accra, Volta and Western Region. The North consists of 41% of the land area of Ghana, although it is home to only about 20% of the country’s population (Abdullah, 2012, p. 15).

The structure of Ghana’s economy has not changed significantly from that inherited from its colonial masters (Aryeetey and McKay 2007; Aryeetey and Kanbur 2008). It is dominated by agriculture and the primary sector in terms of their contribution to output, employment, revenue, and foreign exchange earnings. Agriculture accounts for

about 40 percent of the Gross Domestic Product (GDP), and accounts for about 50 percent of all employment (Aryeetey and Kanbur 2008). The main export items of the country are primary commodities mainly: cocoa, gold, timber, and bauxite with cocoa earnings alone constituting about 45 percent of total export receipts.

However, in terms of the structure of the national economy, there are significant differences between the North and South. The North lacks natural resources that meet the trading priorities of the global North and its economy is dominated by local food crop agriculture, which is mostly on a subsistence level. Moreover, its distance away from the coast and limited number of urban centres has lessened commercial activities in the region. The South on the other hand has relatively higher economic activities because of its proximity to the coast, presence of big cities and more importantly availability of natural resources prioritised by the global North. It is important to note that the country's major exports listed above are all concentrated in the South.

Origin of Ghana's North –South Inequality

The natural geographical conditions although present Ghana's North and South with different natural resources and advantages, these resources by themselves did not create inequalities between these two regions. It is noted that before colonialism, standard of living in northern Ghana was worthwhile. The pre-colonial mode of production in northern Ghana generally conformed to what has been described by as the "African type of production (Amin,1975). The important features of this mode of production included

subsistence agriculture and trading. Commodities that were produced then formed part of domestic consumption and the surplus put into the trading circuit (Plange, 2007, p. 10).

It was the invasion of Europeans and their capitalist mode development which gave different values to these resources hence making some regions more developed than others. In what follows, we will discuss how colonial policies brought about the North – South inequality.

Colonial Policies from 1800s to 1957

The present socio-economic inequalities between the North and the South are not new, but have their origins in British colonial policies that subordinated the interest of the North to that of the South, both by excluding the former from public investments and through its adverse incorporation into the colonial economy as a pool of cheap labour. Broadly speaking, the advent of European trade, notably the slave trade, increased “tribal” wars that changed the face of pre-colonial state formations and ethno-regional relations in Africa and not least introduced new relations of ‘superior-inferior’ groups based on military strength and new forms of conquest and dominance (Osaghae, 2006).

Although colonial rule marked the end of slave raiding in many countries, the colonial state itself set the stage for uneven regional development in various ways on the continent, which Ghana was no exception. After the establishment of British colonial government, Ghana then Gold Coast was divided into regions based on the need to maintain large or major ethnic groups as homogenous and unified entities as far as possible for the effective politico-administration of the country (Dickson 1971, 1975;

Bening 1999). However, there were significant differences in how these regions were administered by the colonial government in terms of expenditure and investment. According to Dickson (1971), the colonial government's investment in the regions were based on three criteria: presence of exploitable and exportable resources, the ease with which cultivation could be encouraged of introduced cash or tree crops (mainly cocoa, coffee and rubber) and the ease with which these resources could be transported to the seaports (i.e. proximity to the coast). On the basis of the aforementioned criteria, regions that satisfied the three criteria received more government investment as they were subsequently connected with transportation links, mainly railways and roads, and other infrastructure. Regions in southern Ghana with climate suitable for the introduced cash and tree crops of cocoa, coffee and rubber, and the vegetation suitable for timber exploitation, as well as mining sites closer to the coast or ports attracted colonial investments. On the other hand, northern Ghana with the climate not suitable for the introduced cash crops, and relatively far from the coast and seaports received less of colonial investments (Owusu, 2005).

Moreover, the North's economy, which also thrived on the trans-Saharan trade, was collapsed with the advent of the colonial rulers who re-oriented existing trade routes that had benefitted the North. The North, because of its geographic advantage as middle state between states in southern Ghana and others in West Africa as well as the Sahelian and Mediterranean regions had benefitted from the long- distance trade that existed between these states (Songsore 2003). However, the introduction of maritime trade routes by the Europeans led to the decline of the former, which stifled the development of the

North and also directed trade to the benefit of the regions in the South, which were closer to the coast.

In addition to the exclusion of the region from productive economic activities, northern Ghana was further impoverished by the colonial government by exploiting the human capital in the area through their adverse incorporation into the wider Ghanaian economy as sources of cheap labour. There was a deliberate strategy by the colonial government to make the North a pool of cheap labour for the mines and cocoa farms in the South and also for the construction of roads and railways in that part of the colony. This claim is evidenced in some of the colonial policies such as the introduction of compulsory recruitment laws, which required Northern chiefs to recruit their own subjects mainly for underground mining activities in the South, and punished 'recalcitrant' chiefs who flouted recruitment processes (Plange, 1979; Kimble, 1963). Other policies such as the introduction of herd tax as well the less government investment and educational opportunities in the North made "Northners" to voluntary move to the South in search of paid jobs, particularly in the cocoa sector and mining industry (Abdullah, 2012, p. 80). It is estimated by Kimble (1963) that by 1917, an annual supply of about 15,000 Northern labourers to the South had been established (p, 42). Thus, as these policies reduced the North to a pool of cheap labour, northern labour played a pivotal role in the development of the South while their impact on the North was overwhelmingly negative. One reason was that the conscription of able-bodied men undermined the productive capacity of households in the region (Konings, 1981, p. 10).

Moreover, in view of the perception that migrants would leave the mines and the cocoa farms if they made impressive savings quickly or would send monies home, wages for northern labourers were purposefully designed to keep them on a bare subsistence account, hardly making it feasible for meaningful remittances for productive investments back home (Plange, 1979, p674). Also, the North's function as a pool of reserve labour served to discourage the need for productive investments in the region. Drawing evidence from the Ghana National Archives, Plange (1976) made reference to one Colonial Secretary to have cautioned that "those interested in the planting of cotton [in the NTs] have also to contend in the colony with labour competition of the mines" (148). This argument corroborates Sutton's (1989) argument that the availability of northern labour for the southern export economy "was considered whenever northern agricultural schemes were proposed" (p. 656). Thus, the need for northern labour in the South partly explains why the North was underdeveloped by the colonial government.

Another way that the North was underdeveloped was its exclusion from the colonial educational policies. European-style education was introduced in the North very late, such that while the first secondary school in the Gold Coast was established in 1876, the North had their first government secondary school only in 1951 (Quist, 2003, p.188). It is important to state that during the early colonial era, educational development in Gold Coast was mainly carried out by the Christian missionary (Abdullah, 2012, p 81).

However, the Christian missions' contribution to the advancement of education in Gold Coast was mainly felt in the South as colonial powers initially prevented and subsequently slowed down the extension of Christian missionary education in the North

(Kimble, 1963, p79). Table 2.2 below shows the educational disparities between the North and the South. From the table, the area identified as the colony and Ashanti, which is referred to as the South, had more school and more of their population enrolled in school compared to the North.

Table 2.1 Official Statistics on Schools in the Gold Coast in 1919

Area	Population	Government Schools	Government Assisted Mission Schools	Total Schools	Total Pupils	Population (%)
Colony	1,396,000	11	175	186	24,528	17.57
Ashanti	448,000	4	19	23	2,579	0.58
Northern Territories	694,000	4	0	4	211	0.03

Source; Kimble 1963

In spite of the fact that the exclusion of the North from colonial educational policies limited the chances of the North to develop, it is also important to emphasise here that this educational exclusion played a pivotal role in sustaining the North's peripheral status within the wider political economy as a labour reserve as noted above.

Addressing North-South Regional Inequalities? Socio-Economic Policies undertaken by Post-Colonial Regimes.

In this section of the thesis we will examine socio-economic strategies adopted by various post-colonial governments after independence in 1957 to the year 2000, the period before the implementation of the PRSP and its associated enhanced HIPC initiative. This is done in order to determine how these policies impacted the country's North-South inequality, particularly when nearly all the postcolonial governments in one

way or the other expressed commitment to bridge the disparity that exists between these regions. Most of the discussion in this section will focus on the Nkrumah-CPP regime (1951-1966) during which a number of structural shifts led to the adoption of certain measures that greatly influenced the character of Ghanaian development policies from the time of independence through to the period of the introduction of economic reforms policies in the early 1980s . Outside of Nkrumah, the era of General Acheampong (1972-1979), and Jerry Rawlings (1981-2000) whose policies have had some notable implications for the North-South inequalities, both positive and negative are considered. These regimes are also considered for the discussion because of their relatively longer period in governance as compared with other regimes whose tenure were marred with coup d'état after a short period of governance. Apart from this reason, the period under Rawlings is particularly considered because of the implementation of the World Bank's neoliberal policies under this regime.

The Nkrumah era, 1951-1966

During the early 1960s, the CPP government launched a *Seven-Year Development Plan* (1963-70) with particular emphasis on promoting the productive sectors of the economy. One important feature of this plan was its perceived desire to ensure equitable regional development. The Plan intended “to ensure that the rate of progress in the less favoured parts of the country is greater than the rate of progress in those sections which have hitherto been more favoured”, and was therefore to “pay special attention to the modernizing of agriculture in the savannah areas of the Northern and Upper Regions”

(Dickson, 1975, p.110). Yet, the strategies in the development plan were inadequate to ensure equitable regional development.

First, It is argued that the plan placed a lot more emphasis on quick returns on investments, as industrial projects were to be “sited so as to make the maximum use of the infrastructure facilities that Ghana already built up at such great cost instead of being sited where this will necessitate more of such non-productive investment” (Ibid). This implied that most of the proposed industrial projects would be situated in the South as the North was denied of meaningful infrastructure under the colonialism government. This perhaps explained why the three cities chosen for the establishment of industrial complexes under Nkrumah (i.e. Accra-Tema, Secondi-Takoradi and Kumasi) were all concentrated in the South (Owusu, 1992, p. 63). Consequently, “the North continued to receive a minimal share of government resources.” (Ladouceur, 1979 p, 260).

Second, the political manner in which the projects under the development plan were geographically distributed undermined the objective of reducing regional inequality that existed. For instance, although the North also benefited from a number of agro-processing industries and the establishment of some large scale irrigation schemes (e.g. in Veve and Bontanga), the exclusion of some parts of the North because of political reasons raises questions if these projects were driven by any conscious effort aimed at bridging regional inequalities. Songsore and Denkabe (1995) argue that the distribution of development projects under Nkrumah tended to be concentrated in areas where electoral support for the ruling CPP was strong, such that even the few industrial establishments in the North consistently excluded the Upper West area which remained an opposition

stronghold throughout the Nkrumah era (p.18) . Konings(1986) in a similar argument states that even the idea of boosting agricultural production in the northern savannah during Nkrumah's era was far from a deliberate effort aimed at bridging the North-South inequalities. He argues that the entire project was rather principally aimed at providing cheap food to the growing urban population of southern Ghana; not least as rising food prices increasingly threatened the legitimacy of the regime during the early 1960s. Thus, despite the fact that the North received few development programmes that were inadequate to reduce the inequality that existed between the region and the South, those programmes had different objectives than speeding development in the North to catch up with the South.

On the other hand, Nkrumah's regime is widely credited for its contribution to redressing the colonial legacy of North-South educational inequalities (e.g. Smock, 1976). Notably, Nkrumah established a *Northern Scholarship Scheme* in 1961 which provided grants to people of the North at various levels of the educational system. These included grants targeted at deserving students to gain access to secondary education; special maintenance grants for all northern students entering University; and the payment of boarding fees for secondary school students (Songsore and Denkabe, 1995, p.65).

However, beyond the broader subsidization of northern education, it has been observed that similar to the spatial patterns of industrial establishments noted above, most of Nkrumah's social sector public spending excluded the Upper West where there was strong opposition to his government (Ibid, P,17). Also, besides the fact that the educational subsidy did not apply to the whole of the North, it is noted that the gap, which

existed in terms of school provision between the North and South was not adequately addressed during this era (see Abdullah 2012). Thus, in spite of the CCP government being credited for contributing to the development of the North, particularly advancing education in the region, their efforts could not correct the perennial disparities in development that existed between the North and South. .

The Acheampong regime 1972- 1978

The Acheampong government is one of the very few governments noted to have “had a positive vision for the development of the North” (Shepherd et al., 2004, p.13) in post independence Ghana, as the region benefitted from the regime’s extensive promotion of rice farming. Through extensive state subsidies under this regime, Ghana did not only attain self sufficiency in rice production in the mid-1970s, but was also involved in the exportation of significant quantities to neighbouring countries, much of which came from the North (Khor, 2006). The success attained in rice production in the 1970s was so important that it was the only minor crop that had experience significant growth at the time the performance of the entire agricultural sector was so bad that it grew less rapidly than population, and this has been explained as partly being as a result of “privileged access to highly subsidized inputs, including fertilizer and tractor services” (World Bank, 1995, P 70). Cotton production also received enormous state support, and by 1976/77, the Ghana Cotton Board had sponsored over 38,000 farmers in cotton production, nearly all from the North (Shepherd, 1981).

But contrary to perceiving that these initiatives would bring development to the North and subsequently contribute to eliminating the development gap between the North

and South, there is hardly any evidence to point to a significant closure of the North-South divide during the 1970s. For instance, Ewusi's (1976) utilising a wide range of socioeconomic indicators for a seminal work found that not only were the Northern and Upper regions the least developed regions in the mid-1970s, but also that these regions had equivalent to only 11 per cent and 7 percent respectively of the level of development found in Greater Accra .

Similarly, Dickson (1977) using nine different parameters to assess the levels of development of the various regions concluded that the Northern and Upper regions were by every index the least developed parts of the Ghana (P, 106). Moreover, the country's economy in 1970s declined so low that the average growth rate for the period was -0.3 percent (Whitfield, 2009, p. 21) which implies that it would have been extremely difficult for the North to have experienced any significant development. Unsurprisingly, it is noted that the economic decline in the 70s resulted in a significant drop in government's provision of social services across the country, in ways that further resulted in regressions from earlier achievements in northern education during the 1960s (Songsore et al., 2001). Abdullah (2012) notes that by early 1980s the Northern Scholarship Scheme, which comprised three components mentioned above, had been reduced to only one component, the payment of boarding fees at the secondary school level.

As a result of the limited development in the North during the 1970s, it is justifiable for one to argue that the development initiatives that were geared toward the North during this period were not adequate for bridging the inequalities that existed between the North and the South. Besides, some scholars have argued that Acheampong's

massive agricultural investment programmes in the North were carried out without the development of the North in mind per se but primarily meant to address Ghana's rising food imports and its resultant depletion of foreign exchange reserves (Konings, 1984). Consequently, significant benefits of the northern rice boom eluded the poor farming households but went to those who were tied to the centres of political power such as senior public servants and army officers, some of them from the South (Aryeetey, 1985; Abdullah, 2012, p 98).

Nonetheless, the benefits of the improved local rice industry to the North cannot be entirely overlooked albeit their less impact on the region's development. For example, for the first time an integrated regional labour market emerged in the region (Shepherd et al., 2004), with some pointing to a significant decline in the North-South migration and a rapid urbanisation of the Northern regional capital (Tamale) as signs of progress arising mainly from rice production (Konings, 1984, p. 104; Songsore, 2009, p. 15).

Rawlings and the era of structural adjustment, 1981-1992

As a result of the economic collapse in 1970s, the PNDC regime under JJ Rawlings launched an Economic Recovery Programme (ERP) in 1983, followed by the Structural Adjustment Programme (SAP) from 1986 to 1991 with support from the IMF and World Bank (Aryeetey and McKay, 2007, p. 147). This economic liberalisation in the 1980s and political liberalisation is said to have contributed to a fairly decent growth performance in the country (Booth et al., 2005, p 13). However, the relationship between economic growth and the most important social concern, poverty, was unclear as there was a strong perception that number of poor did not changed in tandem (Oduro and

Aryee, 2003). Nonetheless, restoring economic growth and macroeconomic stability could not have been devoid of any benefit at all, there was a fairly reasonable reduction in income poverty (Aryeetey and Kanbur , 2005, p 2). However, with the rising tide unable to lift all boats, this benefit was unevenly spread across regions. Ghana's ERPs/SAPs were predicated on restoring economic growth through a rehabilitation of the export economy, and the result was that most of the public investments went to Ghana's core industrial region, Greater Accra, as well as the cocoa, timber and mineral producing areas in the Ashanti, Brong Ahafo and Western regions. By contrast, the historically disadvantaged regions of northern Ghana, which have their economies dominated by the production of basic agricultural commodities, were largely excluded from public investments during most of the adjustment era (Konadu-Agyeman, 2000; Songsore, 1989; 2003).

Evidence shows that "the SAP favoured export-sector agriculture, mainly cocoa, which saw some benefits flowing to large farmers in the southern part of the country" (Mohan, 2002, p. 13). Schneider (1992) notes that as part of the SAPs policies to promote exports, producer price of cocoa paid to cocoa farmers between 1983 and 1987 was increased more than sevenfold, which benefitted the South because cocoa production is circumscribed to the South (p. 77). Moreover, the removal of subsidies under SAP further marginalised northern farmers, as the removal of agricultural subsidies on food crop farming, which was the main economic activity in the North, led to increased cost of farming which pushed out many northern farmers out of business (Mohan, 2002, p. 140). This coupled with the unbridled liberalization of the cotton and shea industries mainly

affected the North as the production of cotton and shea nut, the two major cash crops produced in the North was reduced (MacKay et al., 2005). For instance, cotton production in Ghana reached a minimum of about 1500 tonnes in 1985 compared to an average of 7000 tonnes in the late 1970s (see FAOSTAT, 2010)

However, unlike shea and cotton, cocoa was not completely liberalised in spite of donor insistence on a full liberalisation of the cocoa industry (see World Bank, 1995, p, 64; African Development Bank, 2002, p18). The government insisted in its *Cocoa Sector Development Strategy* that when it becomes necessary to liberalise the external market of cocoa, “Ghana must evolve its own strategy and be in the driver’s seat” (Abdullah, 2012, p. 100) such that the government offered and continues to do so even today a minimum guaranteed prices to cocoa farmers for their produce in ways that has contributed to poverty reduction among cocoa producers. There have been varying accounts regarding the preferential treatment given to the cocoa industry as against the rest of the agricultural sector under SAPs and many analysts have argued emphasising the capacity of cocoa in generating foreign exchange earnings and economic rents for ruling elites as the major reasons for such preference (e.g. Williams, 2009; Whitfield, 2011). Liberalisation of the economy under the SAPs also opened the floodgates for cheap food imports notably rice which contributed to the collapse of local rice production which had begun to flourish in the North during the 1970s.

The implementation SAPs in Ghana also brought about reduction in government’s expenditure in the provision of social services through the introduction of cost recovery elements on some social services which hitherto were free or highly subsidised by

government. For instance, Konadu-Agyemang (2000) notes that government's expenditure on social services that included health and education was less than 5 percent of national budget in the 1980s compared to the 1970s where expenditure for the health sector alone averaged between 7 to 10 percent of national budget (475). The introduction of cuts in government's expenditure on social services affected the North more than the South as the relatively high level poverty in the North made the accessibility and affordability of social services more difficult for "Northners". It is noted that while the introduction of hospital user fees in 1985 led to drops in hospital and clinic attendance between 25 to 50 percent in southern regions, in the North it was between 45 to 80 percent (ibid, 480). Also, UNDP and ISSER (1997) notes that although under the SAPs there were significant declines in both school and hospital attendance across the country, the impact was "particularly" felt "in the northern savannah where the rise in the share of costs borne by the households seriously eroded the capacity of subsistence croppers and pastoralists to access quality education for their children" (p. 33).

There is some evidence to also argue that under SAPs, the North was disproportionately impacted negatively not only because of the liberalisation of the economy and introduction of cost recovery to social services but also because of the relative exclusion of the North from public spending during this period. Abdullah (2012) states that from 1986, the government of Ghana began to prepare a three year rolling Public Investment Programmes (PIPs) as part of the ERP/SAPs, and this was designed to give adequate consideration to the regional distribution of projects to ensure equitable and balanced development of all regions. However, an evaluation of the programme in

1994 shows that the rhetoric on equitable regional development was not translated into action (p, 103). For example, an evaluation of the educational sector shows that although the North comprised of 19% of country's population then, it received only 11.6% of actual PIP expenditure. Besides, the scholarship provided to "Northners" under Nkrumah's government during this period was in shambles as only one component of the scholarship package was implemented. An evaluation of the health sector also shows a similar result that investment in North was less compared to the South (ibid, p, 104).

To be fair, however, the period of adjustment also saw some major infrastructural investment projects in the North, most notably the extension of the national electricity grid to the region and the rehabilitation of some North-South roads (Langer, 2009). Yet, it should be noted that the positive impact of these projects were also generally limited when analysed within the context of: **(i)** the massive investments in the infrastructural base of the southern export economy (Aryeetey-Attoh & Chatterjee, 1988); **(ii)** and the general neglect of the main cash crops in the region under SAPs (i.e. shea and cotton) as well as the staple crop sector – a sector upon which most farm households in the North depend.

The historical accounts of Ghana's North-South inequalities from these selected regimes show clearly that although the underdevelopment of the North stems from colonial government, it has been reinforced by post independent government. Development policies taken by these post-colonial governments over the years have either further deepened the North's predicaments or done little to improve its

socioeconomic conditions . The policies accentuated the North – South inequality largely by excluding the North from productive economic activities and public investment.

Chapter 3: PRSP and HIPC Initiative Implementation and Outcomes

Chapter two provided a brief history of Ghana's regional inequality highlighting various development policies undertaken by various political regimes and their implication on regional development in Ghana. In chapter two, it was concluded that even though Ghana's North-South inequalities have their origin in the colonial era, the inequalities were accentuated by post independent regimes. In this chapter however, we will focus on only the Poverty Reduction Programmes; the PRSPs and the HIPC initiative and how they have impacted Ghana's regional development from 2000 to 2013. We will focus on some of the key programmes and policies taken under Ghana's PRSPs such as private sector development, export promotion, and the distribution of HIPC initiative fund and their impact on Ghana's regional inequality. Furthermore, we will also use the regional distribution of poverty levels as well as regional performance of the MDGs since the implementation of Ghana's PRSP and HIPC Initiative to analyse how these programmes have impacted regional inequality in Ghana.

It will be revealed that these policies and programmes did not reduce the differences in poverty level between the North and the South as these programmes did little to improve the socio-economic conditions of the poor in the North. Rather, these policies benefited the South and further widened the extant inequalities between these two regions. First, it will be shown in this chapter that the promotion of export and private sector development contributed to increasing the North –South inequalities in the country in at least these two ways : **(i)** the promotion of private sector development, which has led to the concentration of both private sector investment and public sector investment, in

the already developed southern regions where there are higher returns on investment and neglected the poorer North where there are relatively less favourable factors to support the private sector .(ii) the promotion of exports policies which has favoured the country's tradable sector, especially the cocoa sector which is solely in the South, and this in turn has had a large impact on poverty reduction in the South, particularly rural communities in the South where cocoa is produced .

Second, in this chapter, it will also be shown that the HIPC resources meant for poverty reduction projects and programmes in the country were distributed in a manner that favoured the South at the expense of the North. Through an analysis of the distribution of HIPC resources, it will also be revealed how the presence of neo-patrimonial practices in Ghanaian politics and donor interest in Ghana's Poverty Reduction Programmes (PRPs) featured in the inequitable distribution of the HIPC fund.

PRSP Implementation in Ghana (2001-2009)

The government of Ghana applied for debt relief under HIPC initiative in 2002, and as part of the aid conditionalities, Ghana was required to formulate a PRSP. The government of Ghana (GoG) prepared and implemented its first PRSP, the *Ghana Poverty Reduction Strategy* (GPRS I), from 2003 to 2005, followed by the *Growth and Poverty Reduction Strategy* (GPRS II) from 2006 to 2009. Both GPRS I and II placed emphasis on ensuring sustainable economic growth and poverty reduction as well as addressing issues of exclusion, which included improving the development conditions of the three excluded northern regions as a main objective (GPRS I, 2003, p. 30; GPRS II, 2006). As part of the strategies to achieve these goals, some policy programmes were

identified and the major ones included private sector development and export promotion. Private sector development in particular was given significant priority in the country's PRSPs, especially the GPRS I which noted the private sector as the engine of Ghana's economy, hence significant government efforts were directed towards its development (Whitfield , 2009,p. 20).

a. Formal private sector-led investments

The private sector has been touted for its importance in capital formation and job creation which is stated to “offer the best route out of poverty” (Turok, 2011, p. 83). Ghana's PRSPs, the GPRS I & II, which have a neoliberal bias, place great emphasis on the private sector as the engine of investment and employment growth (GoG, 2005, p.22). As a result, under the GPRS I & II, private sector development was highly encouraged such that the government announced in 2001 that “a clear aggressive program of divestiture reform will be pursued, which will limit the role of government in the economy and reinforce the private sector” (MOFEP 2001, p. 326). Pursuant to achieving this goal, some measures were implemented to reduce the cost of formal private sector production such as a reduction in the corporate tax rate from 35 percent to 30 percent for companies listed on the stock market. Also, in 2003, a ministry was created to promote private sector development, and within the ministry, the government established an Institutional and Legal Reform Division to reduce bottlenecks to private sector development (GoG, 2005, p. 29). Indeed, these policy measures, among others, yielded positive results as the formal private sector responded favourably. For instance, from 2001 to 2007, 1,395 private

sector investment projects which exclude investments in mining, petroleum, stock exchange and projects in the free zones area of Ghana – all concentrated in the South, were registered with the Ghana Investment Promotion Centre (GIPC 2007). This development in the private sector as would be expected came along with jobs creation such that between 2001 and 2010, the private sector provided over 238,334 formal jobs which were mostly located in the South (Obeng-Odoom, 2012, p. 97).

However, it is also worth knowing that between 2001 to March 2007, foreign direct investment (FDI) component of the investments constituted 82.8 percent of the total, and the rest was partly a foreign-Ghanaian joint venture (GIPC 2007, p. 6). This dominance of foreign investment in Ghana's private sector is an indication of how neoliberal policies of liberalisation and openness to the global capitalist market serve the neoliberal agenda of internationalising developing economies to favour Western multinational corporations. However, what is most important to this study is the notable spatial arrangement of these investments in the country. The majority of these private sector projects were mainly concentrated in the South, particularly the capital Accra, where greater scale economies can be obtained. Table 3.1 below shows that most of these private sector investment projects, about 98.8 percent were located in the already developed southern regions especially Greater Accra Region while the remaining 1.2 percent in the lagging North. Between 2001 and 2007, only one investment project was located in the Upper West region and three in Upper East where poverty is most prevalent. Thus, the pro market stance of Ghana's PRSPs, which is the promotion of the private sector, contributed to widening the extant North-South inequality in the country.

The concentration of these investment in the South echoes Myrdal's theory of cumulative causation, which states that in regional development once a centre or region moves ahead of others, it will continue to grow due to its attraction of new socioeconomic investments and people (Myrdal 1957).

Table 3.1 Registered projects by sectors, Jan. 2001-Dec.

REGIONS	SECTORS							GRAND TOTAL	PERCENT SHARE OF GRAND TOTAL	Incidence Of Poverty
	AGRICULTURE	MANUFACTURING	EXPORT TRADE	GENERAL TRADE	BUILDING & CONSTRUCTION SERVICES	TOURISM				
ASHANTI	6	18	4	10	6	14	9	67	4.80	20.5
BRONG AHANFO	2	1	3	0	1	1	0	10	0.71	29.7
CENTRAL	13	11	1	0	4	3	9	41	2.94	19.9
EASTERN	12	8	0	1	3	5	6	35	2.51	14.7
G.ACCRA	34	350	41	228	96	310	104	1163	83.37	11.8
VOLTA	8	7	1	0	0	2	1	19	1.36	31.7
WESTERN	3	9	2	4	2	12	11	43	3.08	18.6
NORTHERN	2	3	2	2	1	1	2	13	0.93	52.2
UPPER EAST	0	1	1	0	0	0	1	3	0.22	70.5
UPPER WEST	0	0	0	0	0	1	0	1	0.07	87.9
SOUTH	78	404	52	243	112	347	140	1378	98.8	
NORTH	2	4	3	2	1	2	3	17	1.2	
NATIONAL	80	410	55	245	113	349	143	1395	100	

2007

Source GIPC 2007 and GLSS 5

From table 3.1 above, about 98.8 percent of all private sector investment registered from 2001 to 2007 which even excludes investments in mining, petroleum, stock exchange and projects in the free zones area of Ghana which almost all of them are located in the South.

Given the importance of the private sector in providing employment and subsequently reducing poverty, it would have been expected that government policies aiming at reducing the North–South inequality would target improving the investment climate in the lagging North in order to attract private sector and a possible growth in those regions. Yet, there is some evidence to suggest that the GPRS I &II placed rather too little emphasis on improving the investment climate to attract private sector and growth in the North as a whole.

Although, there are several examples to back this claim that not much was done to improve private sector development in the North in the PRSPs, we will discuss only two of them. First, the exclusion of the northern regions from the Presidential Special Initiative programme (PSIs). These initiatives were launched in 2001 and became part of the GPRS as part of strategies to reduce poverty, by promoting the private sector through creating enabling environments for private sector operators (NDPC, 2004, p.155). The PSIs were actually state-driven productive sector investments and were designed to create new pillars of growth for the economy; generate mass employment for the rural poor; and expand the export revenue base of the state (World Bank, 2007). Although the PSIs were government investment initiative to support the private sector, the implementations of the PSIs were influenced by the desire to gain quick returns on investments. As a result the PSIs targeting four areas: cassava starch, garments and textiles, salt and palm oil– all concentrated in the South which were all identified to have the potential of earning more foreign exchange revenue for Ghana. For instance it was stated by the Minister of Trade then that the palm oil alone could have fetched Ghana \$10billion annually (Joy online

news, 16-07-2014). Consequently, substantial public investments were made into each of these initiatives. For example, under the Cassava PSIs, the government set up a new cassava starch processing plant, the *Ayensu Starch Company*, in the Central Region at a cost of US\$7 million (UNCTAD, 2011, p. 84). In contrast, although a PSI on a northern crop like cotton was later announced in 2003, very “little” or “nothing” was done in terms of its actual implementation such that the poorer northern regions did not benefit from the PSIs in any significant way (Songsore, 2011, p. 264).

Second, is the distribution of Millennium Challenge Accounts (MCA), which was a \$547 million dollars grant from the US government-“the single largest bilateral grant in Ghana’s history” (Ouma et al, 2012, p. 4). The MCA is a tool for international development assistance created by the US government in 2002 to reward developing countries that performed well in terms of governance (Booth, 2005, p. 9). Like many other aid given to developing countries that implemented the PRSPs, the main goal for the MCA was to ensure poverty reduction, and it was anticipated to lift some 1 million people out of poverty during its first 10 years of implementation (GoG, 2005b, p. 16). To achieve the purpose of poverty reduction in the country, the utilisation of the MCA resources was guided by three technical criteria: (i) degree of rural poverty ;(ii) proven success in private sector investments;(iii) agricultural growth potential (Abdullah, 2012, p.191). However, greater emphasis was placed on the availability of relevant private sector investments in the regions upon which MCA investments could build (ibid p 190). As a result, the distribution of the MCA fund fully excluded the two poorest regions in the country; Upper East and Upper West which registered only 4 out of 1,395 private

sector projects from 2001 to 2007 (see Table 3.1). Thus, the concentration of these productive investments from both public and private sector in the already developed southern Ghana is an evidence that neoliberal market-oriented policies create a pro market economy, where the market mainly determines and influences the allocation resources to regions where there is higher returns on investment.

b. Export Promotion and Trade Liberalisation Policies: Impact on North-South Inequality

There has been a rich literature on the relationship between exports and trade liberalisation, growth and poverty reduction, which supports neo-liberal policies (Hoekman et al. 2004). However, the potential of export and its impact on spatial inequality has been an area with relatively less attention. In this section of the chapter, we will provide some evidence using cocoa from the South and cotton from North to show how exports and trade liberalisation policies under the GPRS contributed to accentuating the already existing North- South inequality. In this in section, we use these two crops for the analysis because of the importance of agricultural exports in reducing poverty in Ghana and also the fact that these two crops are the major cash crops in these two main regions.

Ghana's economy is noted to be dominated by the agriculture sector, particularly export agriculture in terms of its contribution to output, employment, revenue, and foreign exchange earnings. The cocoa sector alone contributes about 45 percent of the country's foreign exchange earnings and a major source of employment in rural parts of the country (Aryeetey and Kanbur 2008). This shows the significant role export

agriculture play in the development of the country. Unsurprisingly, Ghana's success in poverty reduction in the past decade has been in part attributed to the increase in exports of crops like cocoa, palm oil and other agricultural exports" (ODI, 2005, p. 8).

As expected, Ghana's PRSPs, which have a neoliberal bias, espoused trade liberalisation and the promotion of export. The country's PRSPs place emphasis on export growth as the pillar in ensuring increase in economic growth and poverty reduction, particularly GPRS II which is an agriculture-led strategy which seeks to diversify the economy's structure away from dependence on cocoa to cereals and other cash crops for export markets(Whitfield, 2009, P 22) .However, having had the country's major exports (cocoa, timber, gold, bauxite and other mineral) since colonial era being produced from the South, diversifying the country's agriculture export base as proposed by the GPRS and renewing focus on other major cash crops specifically cotton and shea nut; the major crops in the North, would have been instrumental in reducing poverty in the area.

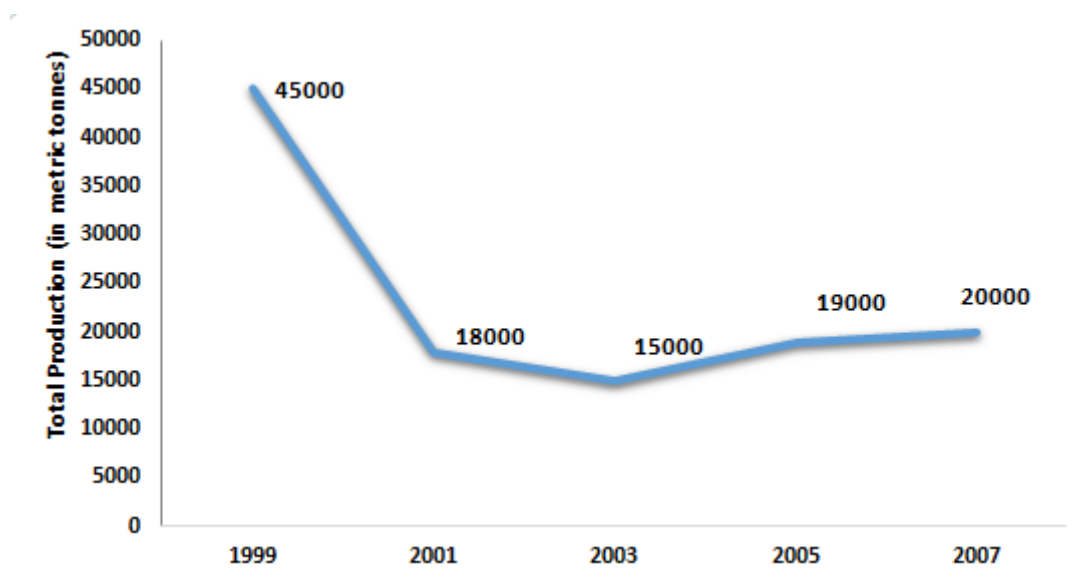
However, the implementation of the PRSPs varied significantly from what had been suggested in the PRSPs. The WTO agreements ingrained in the neoliberal policies package imposed on Ghana through the conditionalities in the PRS process affected some of Ghana's export commodities particularly cotton production. Specifically, the Agriculture Agreement Ghana is subscribed to, allows OECD countries to maintain high protection for their local producers while also supporting them with large subsidies for them to produce cheaply at the world market making it difficult for developing countries to compete. For instance, in 2003, Brazil made a formal complaint under the WTO

dispute mechanism about US subsidies, contending that from 1992 to 2003, the United States had doubled subsidies to its cotton farmers. This, it was argued had depressed world prices and was injurious to cotton growers in Brazil and many developing countries while significantly increasing the US share of the global cotton market (Gilson et al 2004, p. 21). Similarly, at the Cancún Ministerial meeting of WTO in September 2003, Burkina Faso, on behalf of Benin, Mali and Chad, submitted a proposal requesting that all developing countries be offered financial compensation to offset the income they are losing as a result of the subsidies that cotton growers in developed countries received from their government (ibid). This unfair trade within the cotton industry has affected cotton production in many developing countries including Ghana, particularly the North where it is widely cultivated. The low market price of cotton which is even “lower than the cost of production in Ghana” (Abbott, 2013, p. 259) has thwarted efforts to revamp the cotton industry in Ghana. The low producer prices has deterred farmers from engaging in cotton cultivation and banks from supporting its production such that even the agricultural bank in Ghana (ADB) stopped financing the cotton sector since 2000 (Sherperd et al., 2005, p. 65). Thus, resulting in a continuous fall of cotton production in Ghana, particularly from the year 2000 when the agriculture bank’s support was terminated (see figure 3.1).

Moreover, the policies which led to the unbridled liberalisation of the cotton industry under the SAPs, are still being followed under the PRSPs such that cotton sector does not have protective measures such as subsidies on agro-chemicals to farmers, and institutional arrangements (monopoly, and then oligopoly) which allow companies to

profit and farmers to be relatively secure. Figure 3.1 below shows that cotton production in Ghana from the 1999/2000 has reduced significantly from over 45,000 metric tonnes and has been within the range of 15,000 metric tonnes and 20,000 metric tonnes the years after up to 2007. Thus, given the importance of export crops in reducing poverty in Ghana, the reduction in cotton production which is the main cash crop in the North affected poverty reduction in the North. Indeed, a study by ODI (2005) notes that the low production of cotton in North in part accounts for low economic growth needed for poverty reduction in the North (p. 8, 11)

Figure 3.1 Cotton Productions in Ghana from 1999 to 2007



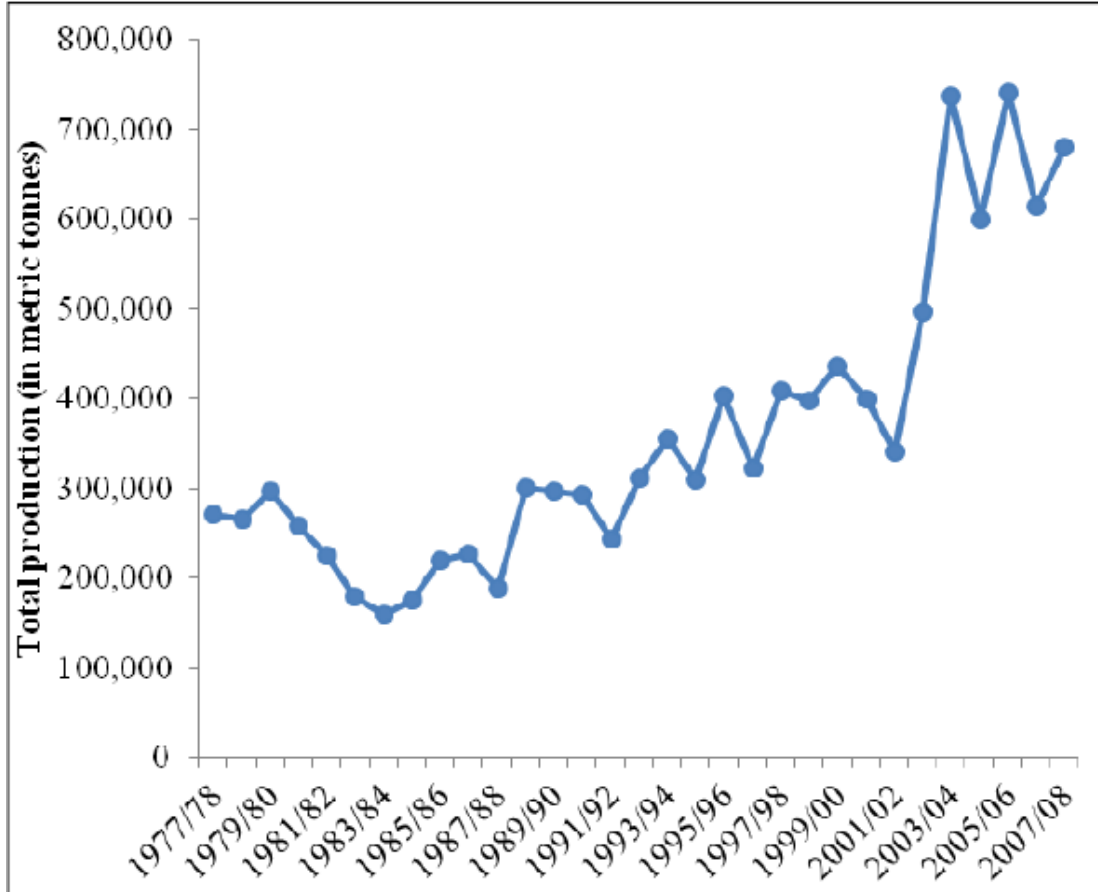
Source: FAOSTAT, 2010

On the contrary, the relatively high international price for cocoa price in the 2000s seems to have encouraged Ghana government to continue its focus on cocoa exports at the expense of the promotion of cotton and other cash crops from the North. The final APR of the GPRS I makes the point that the implementation of strategies to improve

agriculture placed undue emphasis on cocoa production” (NDPC, 2006, p. 73). Some of the innovative strategies deployed under the GPRS to support the cocoa industry were government increasing the producer price paid to cocoa farmers, free mass spraying of cocoa farms to control pest and diseases, improved feeder roads in cocoa growing areas and the payment of farmer bonuses bi-annually, among several others (Whitfield, 2009, p. 25).

Consequently, cocoa production in Ghana during the period of the GPRS followed a dramatic upward trend, reaching a historic 740,458 tons in the 2005/2006 cocoa season (Figure 3.2). Thus, unsurprisingly, cocoa producing localities, namely the ‘rural forest’ in the South, recorded faster poverty reduction than rural communities elsewhere in the country (McKay et al., 2005, p. 10).

Figure 3.2 Cocoa Productions in Ghana 1978/79- 2007/08



Source Author based on COCOBOD's data

Moreover, it is important to note that Ghana's major exports since colonial era have been cocoa, gold, and other minerals and timber are all products from the South while the North's economy is dominated by the production of basic agricultural commodities for local consumption. Thus, in all likelihood, policies promoting exports would benefit the South more than the North as it happen under the SAPs (see Mohan, 2002,p 13; Brown et al 2007) .

HIPC Distribution in Ghana (2002-2009)

Ghana under the HIPC initiative expected total debt relief of some US\$3.7 billion over a 20 year period, of which 20 percent was to be used for domestic debt servicing, while the remaining 80 percent was to be channelled into poverty-related programmes spelt out in the GPRS (ADB, 2010, p. 17) . Accordingly, in the GPRS I, priority was given agriculture, health (including HIV/AIDS), education, housing and community amenities (including environmental sanitation), and production infrastructure sectors which were identified as sectors very crucial to poverty reduction in Ghana (GoG, 2003, p. vii). Thus, as clearly stated in the PRSP policy documents, the HIPC initiative was mainly for poverty reduction in the country. In this section, what we are interested in is to examine the distribution of the HIPC resources in order to ascertain if the HIPC resources contributed to increasing or decreasing the North-South inequalities and we will use data from the GPRS Annual Progress Reports (APRs) and the SEND foundation that tracked implementation of the GPRS I and II.

As a matter of fact, reducing the country's North-South inequalities was considered a major objective in the GPRS I. It was noted in the policy document that such inequalities have persisted in Ghana because "past policies for a more equitable distribution of resource investment have not been implemented" (GoG, 2003, p. 31). Hence, it was declared an urgent need for "positive action to redress gross imbalances in geographical distribution of resource investment" by ensuring that the poorer North benefit disproportionately (Ibid). Based on this, a provision of "extra per capita expenditure for the three northern regions" (GoG, 2003, P 184,185) was envisaged in the

GPRS. This was to be achieved through an application of a weighted formula in the regional distribution of public expenditure. The formula stipulates that the three Northern regions were to receive, in per capita terms, four times that for Greater Accra and two times that for the six other regions of Southern Ghana. In essence, this meant that nearly half (48%) of resources meant for GPRS implementation was planned to be allocated to the North (Table 3.1).

Table 3.2: GPRS weighting criteria based on the depth of deprivation for regional resource distribution

Geographical zones	Groups	Regions	Weighting (%)
Northern Ghana	Group A	Northern, Upper West & Upper East	48%
Southern Ghana	Group B	Central, Brong Ahafo, Volta Ashanti, Eastern & Western	48%
	Group C	Greater Accra	4%

Source: GOG, 2003, P. 185

However, the actual distribution of HIPC expenditures was significantly at variance with the policy directions of the GPRS I and rest of this section will prove this statement.

Ghana started receiving HIPC debt relief in 2002, and by 2006, “actual HIPC spending stood at ₵6,812.2 billion,(approximately US \$862 million using the 2002 bank of Ghana exchange rate of US \$ 1= ₵7900), of which ₵1,003.0 billion (US \$127million) was allocated to domestic debt payment” (ADB, 2009, p. 63).It is also important to state here that the analysis of the amount of HIPC spending in this section does not cover the entire HIPC debt relief amount. The allocation of HIPC funds to the regions took the forms of both direct releases to District Assemblies (DAs) across the country and through

central government Ministries, Departments and Agencies for the implementation of specific programmes. However, our analysis mainly focuses on those released directly to the DAs for which regionally-disaggregated data is available and also projects and programmes financed with the HIPC resources for which regionally disaggregated data is available. Notwithstanding, this partial coverage does not in any way take away the validity of the conclusions to be drawn in this section. One reason being that apart from using data on the HIPC monies directly released to district assemblies in the various regions, some of the data on HIPC financed projects and programmes used in this study are from the government ministries particularly the ‘Ministries of Education and Health, which received the largest chunk of HIPC funds’ (Abdullah, 2012, p 170); it therefore adds more credence to the data used for the analysis in this section of chapter three.

The first tranche of the HIPC fund that was directly disbursed to various district assemblies of the all the ten regions in 2002 was ₵ 117 billion. However, the distribution of the money varied not on the basis of levels of poverty as designed in the GPRS, rather according to the type of local government jurisdiction. That is, whether the local government is a district, municipal or metropolitan, and with population distribution serving as the key determinant of how a local government authority is characterised in Ghana, this pattern of disbursement tended to favour the more populous regions such as Greater Accra and Ashanti. From Table 3.3 below, it can be seen that the metropolitan assemblies, which are all in the South, received the highest amount of the HIPC money distributed. This was followed by the municipal assemblies which are all in the South

except Tamale, which is in the North. Thus showing clearly that the 2002 distribution of the HIPC fund benefited the South more than the North (see Table 3.3).

Table 3.3: HIPC Fund Allocations to District Assemblies, 2002

Local authority type	Region & Assembly	Amount (in € billion)	Total (in € billion)
Metropolitan Assemblies (3)	Greater Accra (Accra Metro)	3.5	8
	Ashanti (Kumasi Metro)	2.5	
	Western (Sekondi-Takoradi Metro)	2.0	
Municipal Assemblies (4)	Greater Accra (Tema Municipal)	1.5 each	6
	Eastern (New Juaben Municipal)		
	Northern (Tamale Municipal)		
	Central (Cape Coast Municipal)		
District Assemblies (103)	All 10 administrative Regions	1 each	103
Total Disbursement		117	117

Source; National Development Planning Commission (2003, p 91)

Other reviews tend to corroborate the findings of this study that the first tranche of the HIPC money distributed to the regions favoured the South. For instance, the first Annual Progress Report (APR) of the GPRS, which is a review of the GPRS, also acknowledges that “the first allocation of HIPC funds in 2002 did not conform to the outlook expressed in the GPRS”, and accordingly recommended the need for future HIPC expenditures “to target very poor districts that are identified as poverty endemic, if the poverty gap is to be bridged” (NDPC, 2003, P 95).

It is however important to note that the actual implementation of the GPRS started in 2002 (NDPC, 2003, p. 1), but it was in February 2003 that the official GPRS policy document was published. Subsequent disbursements of HIPC expenditures to various

local government authorities in all the regions, both under the official years of the GPRS I & II continued to ignore the regional variations in levels of poverty.

During the official years of the GPRS I (2003-2005), disbursement of the HIPC expenditure to the regions continued to ignore the initial sharing formula stipulated in the GPRS I which intended to increase expenditure to the deprived North in order to reduce the inequality between the North and South. Drawing on data from the GPRS Annual Progress Report, an amount of about ₵423.3 billion (approximately US \$54million) of HIPC funds was disbursed directly to the various districts during this period (NDPC 2003, 2004, 2005). Utilising the GPRS resource sharing formula noted in figure 3.2 above, Abdullah (2012) noted that from 2003 to 2005 , the expected amount of money for the three northern regions should have been ₵139.6 billion (approximately US \$17.7million using 2005 exchange rate) (p. 171). However, they received ₵28.9 billion (US\$3.6 million) while the South received the remaining ₵394.4 billion (US \$49.9million) instead of an expected amount of ₵283.7billion (US\$ 35.9million) (ibid). It was also noted that Greater Accra and Ashanti regions, which are the most populous as well as most developed regions, received far more than what was expected with an excess of ₵64.6 billion (US \$ 8.2 million) and ₵41.4 billion(US \$5.2million) respectively (ibid). Thus, contrary to the GPRS promise of providing “extra per capita expenditures” to the northern regions, it was rather the relatively developed southern regions that actually received the highest per capita HIPC spending of ₵30,000 compared to the North which was ₵7, 000 (Abdullah ,2012, p. 173). Additionally, a study by SEND-Foundation that analysed the regional distribution of HIPC funded projects in the

education, health, water and sanitation sector during 2002-2004, also came to the same conclusion that the North was marginalised in the distribution of HIPC resources during the period of GPRS I. It was noted that the 3 Northern regions, which are the poorest in the country, received only 17 percent of the entire the projects financed from the HIPC funds from 2002 to 2004 (SEND Foundation 2006) .

Under GPRS II (2006-2009) however, regional distribution of HIPC resources directly given to the district assemblies in the various regions was relatively more equitable as the allocation to the North was improved. Table 3.4 below shows that cumulative HIPC expenditures for the North had increased from less than 7 percent under the GPRS I (2003-2005) to over 20 percent during the period of 2006 to 2008. Yet, the improved allocations to the North during the period of the GPRS II still fell far short of what was envisaged in the GPRS I policy document. In spite of the fact that the percentage of HIPC expenditure increased during the GPRS II, in absolute term it was smaller than expenditure under GPRS I. For instance, while the Northern region alone received slightly over ₡20 billion during GPRS I, cumulative HIPC expenditures to the three Northern regions during GPRS II amounted to only about ₡16 billion (Abdullah, 2012, p.174). Table 3.4 below shows how the North's HIPC receipts in terms of percentages increased from less than 6 percent under the GPRS I to 20.3 percent under the GPRS II. Yet, even after the North's receipt had been increased, it was still less than the South and as also noted above, the amount of HIPC money distributed under the GPRS II was less than what was distributed under GPRS I. Thus, showing how the direct

distribution of the HIPC money to all the regions in Ghana both under the GPRS I and GPRS II benefited the South more than the North.

Moreover, apart from the HIPC monies that were directly distributed to the 10 regions through the district assemblies, the National Development Planning Commission (NDPC) also noted that out of 2,303 HIPC-sponsored projects in the health, education, water and sanitation sectors in 2006, the combined share of the three Northern regions was only 23% (NDPC, 2007, p. 70). Thus, although there was an improvement of the share of the North in the regional allocation of HIPC expenditure during the GPRS II, it could hardly have been sufficient to offset the North's marginalisation under GPRS I. Thus, given the background that substantial amount of the HIPC spending was directed into poverty alleviation programmes and projects, the unfair distribution pattern of the HIPC expenditure benefited the South contributing to the increasing development gap between the North and South.

Table 3.4 Percentage Figures of HIPC Fund Directly Disbursed to the Regions Through the District Assemblies

REGIONS	HIPC RECEIPTS (%), (2003-2005)	HIPC RECEIPTS (%), (2005-2008)
Ashanti	25.5	14.1
<u>Brong Ahafo</u>	13.88	8.6
Central	6.42	6.9
Eastern	7.23	9.8
Greater Accra	22.44	14.7
Volta	3.8	14.8
Western	13.92	10.9
Northern	4.76	8
Upper East	1.74	5.9
Upper West	0.32	6.4
TOTAL	100.0	100.0

Source; Abdullah 2012

The inequitable distribution pattern of the HIPC resources, however, raises questions about the implicit theory that underlie the PRSPs, that the principle of national ownership which requires broad based national participation would strengthen domestic accountability and elicit governments' commitment to more equitable forms of development. Critics have however, pointed to the possibility of such reforms to be undermined by informal institutions, notably the "neo-patrimonial practices inherent in national institutions" (Bwalya et al., 2004, p. 5). This is because clientelist politics may mean that the distribution of public goods is diverted from a need-based approach to one aimed at meeting the political objectives of dominant elites. The findings of this study

also point to the fact that the inequitable distribution of HIPC resources may have been influenced by neopatrimonial practices that underlie Ghanaian politics.

As noted above, the disbursement of the HIPC expenditure was distorted from its initial intent that was based on a need-based approach which would have benefited the North, but instead, it was based on spatial distribution of population which favoured the South, in spite of the fact that the need-based approach was repeatedly emphasised in the GPRS. We suspect that driven by the imperative of winning elections, the HIPC fund was tactically used to favour regions more densely populated and those with majority of supporters for the then ruling government.

In what follows, we will show the political context within which the HIPC fund was distributed. Table 3.5 below shows that Ashanti Region which is the most populated region and the same time the region with the largest supporters for the then ruling government received the largest HIPC fund, particularly during the period of the GPRS I when the distribution of the HIPC fund largely benefited the South. Greater Accra Region which is the second most populous region as well as the region which produced the second largest votes for the ruling government had the second largest HIPC receipts. The table on the other hand, shows a corresponding marginalisation of the regions that produced small votes for the ruling party or were the opposition's electoral strongholds, namely Volta and the three northern regions. For instance, Volta Region and Northern Region in spite of their high population received small amount of the HIPC fund during the period of GPRS I

Table 3.5 Regional HIPC Receipts and Ruling Government's Support

REGIONS	POPULATION (2000)	AVERAGE REGIONAL VOTE CONTRIBUTION TO NPP ELECTORAL VICTORIES (2000 & 2004)	HIPC RECEIPTS (%), (2003-2005)	HIPC RECEIPTS (%), (2006-2008)
Ashanti	3,187,601	15.11	25.5	14.1
Brong Ahafo	1,824,822	4.96	13.88	8.6
Central	1,580,047	4.75	6.42	6.9
Eastern	2,108,852	6.67	7.23	9.8
Greater Accra	2,909,649	10.18	22.44	14.7
Volta	1,612,299	1.2	3.8	14.8
Eastern	1,842,878	5.48	13.92	10.9
Northern	1,854,994	3.66	4.76	8
Upper East	917,251	1.5	1.74	5.9
Upper West	573,360	0.9	0.32	6.4
TOTAL	18,411,753	56.28	100.0	100.0

Source; Abdullah 2012 and GSS 2010

In support of the above argument, Abdullah (2012) drawing evidence from the Ghana's public expenditure in the health and educational sectors between 2002 to 2009 , concluded that government spending in these sectors favoured the country's South more than the North. He noted that the regional distribution of expenditure in these two sectors was influenced by dominant political actors in the country then, who were mostly from the South to benefit their regions while the North, which had less influential political actors then, was sidelined in the distribution of projects from these two sectors (see

Abdullah 2012, 170-82). Also, Whitlefield (2009) notes that public spending in Ghana's PRSPs, was done in a manner which was politically expedient particularly for winning election and not necessarily in the long term development interest of the country (P, 12, 13).

This unequal distribution of the country's HIPC also evidences the point raised in this thesis that the HIPC initiative and PRSPs were mainly introduced to entrench the neoliberal agenda, and in what follows we will show it. Before Ghana implemented its PRSP, donors through a General Budget Support (GBS) set a performance assessment framework (PAF) matrix comprising a list of reform elements that the GoG was required to implement in order for donor monies to be released. Thus, these requirements served as triggers for the disbursement of donor funds including the HIPC grants (Whitfield 2009, p. 8). The GBS performance-based triggers emphasised, among others, some fiscal and economic structural reforms and provision of social services with greater attention given to chronically deprived areas particularly the North (NDPC, 2004, p.154; Azeem et al., 2006, p.22). It should be noted, however, that it was incumbent on GoG to prove on annual basis that the GBS performance-based triggers were being met in order to receive further funding" (Woll, 2008, p.80). Failure to attain any of the performance triggers resulted in punishment from donors. For instance, in 2006 the government failed to meet two (out of sixty-seven) of the performance triggers that were related to Budget & Public Expenditure Management Systems, and this resulted in some \$24 million of the performance payment being withheld by donors (Whitfield, 2009, p. 200; Lawson et al., 2007, p. 38).

However, in spite of the performance based triggers' emphasis on greater provision of social services to the deprived North, donors did not insist on targeting HIPC resources to the poor northern regions or even punish GoG for going contrary to these provisions in the performance based triggers. This clearly explains that PRSPs have been less about ensuring a genuine poverty agenda, but rather ensuring the establishment of the neoliberal agenda in developing countries.

Outcomes of the PRSP and HIPC Initiative: The MDGs as Indicators

In this section of chapter three, we will reveal how the implementation of the PRSPs has widened the Ghana's North-South inequality by assessing the regional performance in achieving the MDGs. As noted by Okolo (2002), the PRSP became the guiding policies for attaining MDGs; it was expected to roll out policies that will ensure the attainment of all the 8 Millennium Development Goals. Accordingly, Ghana, since September 2001 has mainstreamed all the 8 goals in its PRSPs and key public policy and strategy documents. Progress towards the attainment of the MDGs has been recorded since 2002 in Annual Progress Reports (APR) on the implementation of Ghana's medium term development frameworks namely, the GPRS I, GPRS II, and the GSGDA. These reports have shown that Ghana has made significant progress in achieving many MDG targets (GoG and UNDP-Ghana, 2010). However, there is a strong regionalised character to this progress; the historically poorer northern regions of Ghana (i.e. the Northern, Upper East and Upper West) have benefited very little from this progress. In what follows, we will analyse the key targets for each of the 8 Goals for which regional data

is available to show how the North – South inequality is manifested in the country's performance on the MDGs

GOAL 1: Eradicate Extreme Poverty and Hunger

In achieving the MDG 1, one of the targets set for this goal is halving poverty by 2015. Ghana has achieved this goal by reducing poverty from 51.7 percent in 1991 to 24.5 in 2013 (GoG and UNDP, 2015). However, this gain is fraught with regional and location disparities. For instance, between 1991 and 2006 the decline in upper and extreme poverty incidences were unevenly distributed across North -South. Although, between 1998 and 2006, the three northern regions experienced reduction in poverty, poverty incidence still remained high and raises doubts about ability of these regions achieving the targets before the end date of 2015. For instance, as of 2006, all the three northern regions had target deficits of not less than 20 percent in moving out of the poverty line with the two Upper regions in the North showing a distance of over 30 percentage points to reach the target, which is reducing poverty by half of the 1991 poverty figures. On the other hand, all the remaining seven regions managed to reach the target of halving upper poverty incidence in 2006 ahead of time (see table 3.6 below).

Although, recent rebasing of the poverty line in 2013, which changed the consumption basket for calculating the poverty line shows that the North performed quite well in reducing poverty, particularly Upper East reducing poverty by 29 percentage points and Upper West 17 percentage points between 2006 and 2013, (GLSS 6, 2013, p. 14) making a trend analysis from 1991 to show whether the three northern regions have achieved the targeting of halving poverty is difficult .

Nonetheless, the high level of poverty in the northern regions even after the rebasing, which is more than twice the national average, shows how the North has lagged behind over the years in reducing poverty. Poverty gap ratio which measures the depth of poverty also shows that the North lags far behind the South with an average of 45 percent compared to the national average of 33 percent (GoG and UNDP, 2012, p.13). This high depth of poverty in the North implies that a considerable proportion of the poor in these areas are far away from escaping poverty, hence the likelihood of not attaining the MDG 1 before 2015.

Table 3:6 Percentage Changes in Poverty Level from 1991 to 2013

Administrative Region	1991	1998	2006	2013 (REBASED FIGURES)	Changes		
					1991/1998	1998/2006	1991/2006
Western	59.6	27.3	18.6	20.9	-32.3	-8.7	-41.0
Central	44.3	48.4	19.9	18.8	4.2	-28.5	-24.3
Greater Accra	25.8	5.2	11.8	5.6	-20.6	6.6	-14.0
Volta	48.0	43.7	31.7	33.8	-4.3	-12.0	-16.2
Eastern	57.0	37.7	14.7	21.7	-19.3	-23.0	-42.3
Ashanti	41.2	27.7	20.5	14.8	-13.5	-7.2	-20.7
<u>Brong Ahafo</u>	6.0	35.8	29.7	27.9	-29.2	-6.	-35.3
Northern	63.4	69.2	52.2	50.4	5.8	-17.0	-11.3
Upper East	88.4	83.9	70.5	44.4	-4.5	-13.4	-17.9
Upper West	66.9	88.8	87.9	70.4	21.3	-0.3	21.0
Total	51.7	39.5	28.5	24.2	-12.3	-10.9	-23.2

Source: GLSS 3, GLSS 4, GLSS 5, GLSS 6

Goal 2: Achieve Universal Primary Education

An indicator for effective assessment of participation of children in the educational system towards the attainment of Goal 2 is the Gross Enrolment Ratio (GER) and Net Enrolment Ratio (NER). Ghana’s MDG progress report in 2010 shows that in terms of both GER and NER, the country is on track in achieving Goal 2 with all the regions including the three northern regions (GoG and UNDP, 2010, p. 25). However, apart from using school enrolment as an indicator of assessing a country’s performance of achieving universal primary education, is the need to uphold quality of education. One of the proxies for measuring quality of education is the pupil to teacher ratio (PTR). A trend analysis of the PTR shows that although the North has performed creditably well from 47.9 in 2003 to 41.4 in 2010, it still lags behind the national average 29.1 in 2010.

Table 3.7 Trend in Pupil-Teacher Ratio (Primary Schools)

Regions	2003	2010	2015 Target
Northern Region	38.6	28.7	na
Upper East	58.9	39.3	na
Upper West	46.2	36.2	na
Average (three northern regions)	47.9	34.6	na
National Average	34.9	29.1	35

Source: GLSS 6

Goal 3: Promote Gender Equality and empowerment of women

Ghana’s performance in Goal 3 is best described as one with mixed results as some targets set for this goal have been achieved and others far from being achieved. One of such targets is to eliminate gender disparity in primary and secondary education. All regions in the country including the three northern regions are noted to achieve gender equality at primary and secondary schools before the MDGs’ expiration date of 2015.

Using Gender Parity Index (GPI) which measures the ratio of boys to girls' enrolment, all the regions in the country have attained more than 90 percent as of 2010 with the two Upper Regions even attaining 100 percent (GoG and UNDP, 2010, P, 28-29).

However, other indicators of gender equality such as women in non agriculture paid jobs and women in government show Ghana's poor performance of achieving gender equality in productive employment and government. For instance, the share of women in wage employment was 25.4 percent and women in parliament as well as women appointee by government were 8.3percent and 7 percent respectively in 2009 (GoG and UNDP, 2015, p36). However, a regional analysis shows that the three northern regions had the worst women representation in government. For instance, from 2008 to 2012, all the three northern regions had one woman each in parliament, while the Greater Accra and Central regions had eight and five women MPs respectively, with four MPs each for the Ashanti and Volta regions (Ibid 37). Other evidence shows that women from the North are the most vulnerable in the country in terms of female employment as many of them move to the South to engage in work such as carrying of heavy load for a living because of limited opportunities for wage employment in the North (see Awumbila, 2006).

Goal 4: Reduce child mortality

Ghana has made considerable gain improving children health by reducing Under-5 mortality rate from 122 per 1,000 live births in 1990 to 82 per 1,000 live births in 2012 and infant mortality from 57 to 53 per 1,000 live births between 1994 and 2012. (GoG and UNDP 2015, P 39). Yet, using the GLSS 6 data in 2013, it is still considered unlikely for Ghana to achieve this goal because slow reduction rate. In terms of regional analysis

on child mortality, there seems to be inadequate data for regional comparison. However, some inference can be drawn using poverty data because in Ghana child mortality is noted to have some degree of relationship with poverty (see GLSS 6, 2014). In Ghana, it is estimated that Under-5 mortality is higher among those in the lowest quintile and this has remained consistent since 2003 such that an estimated ratio of 106 deaths per 1,000 live births was reported among households in the lowest quintile compared to 52 deaths per 1,000 live births among those in the highest quintile. Similarly, the highest infant mortality rate of 61 deaths per 1,000 live births was reported among those in the lowest quintile as against 38 deaths per 1,000 births among those in the highest quintile in 2012 (GoG and UNDP 2015, P ,14). Deducing from this data, it can be rightly said that child mortality is high and has remained consistent in the North where poverty is high and a significant proportion of its population are in the lowest quintile.

Goal 5: Improve Maternal Health

The major target for this goal is to reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio. However, achieving this target has been a major challenge for the country and predicted to be one that would likely be missed by the end date of the MDGs. From 1990 to 2010, spanning a period of 20 years, records of maternal mortality ratio from health institutions (IMMR) indicate only 24.1 per cent reduction in maternal deaths in the country, showing one of the slowest progresses among all the MDG targets (GoG and UNDP,2012, p. 37). This poor performance has been largely attributed to low supervised delivery by skill professionals which is a key factor in ensuring safe motherhood during pregnancy and childbirth. It is however noted that in

spite of general low supervised delivery in the country, a significant equity gap exists across regions with the three northern regions consistently getting less than 50 percent of all child birth supervised by skill professionals compared to the South whose average has been over 50 percent. Table 3.9 shows the disparity that has existed between the North and South in terms of child birth supervised by skilled professionals from 1998 to 2008.

Table 3.8 Skilled Birth Attendant (SBA) at birth by Region (1998–2008) figures in percentage

Administrative Regions	2008	2003	1998
Northern	27.2	11.4	11.1
Upper West	46.1	16.8	16.8
Upper East	46.7	22.5	19.1
Volta	53.7	36	34.4
Central	54	40.3	44.8
Eastern	60.8	48.1	47.3
Western	61.7	44.8	44.6
Brong Ahafo	65.8	51.6	51.3
Ashanti	72.6	57.6	58
Greater Accra	84.3	73.5	72.5

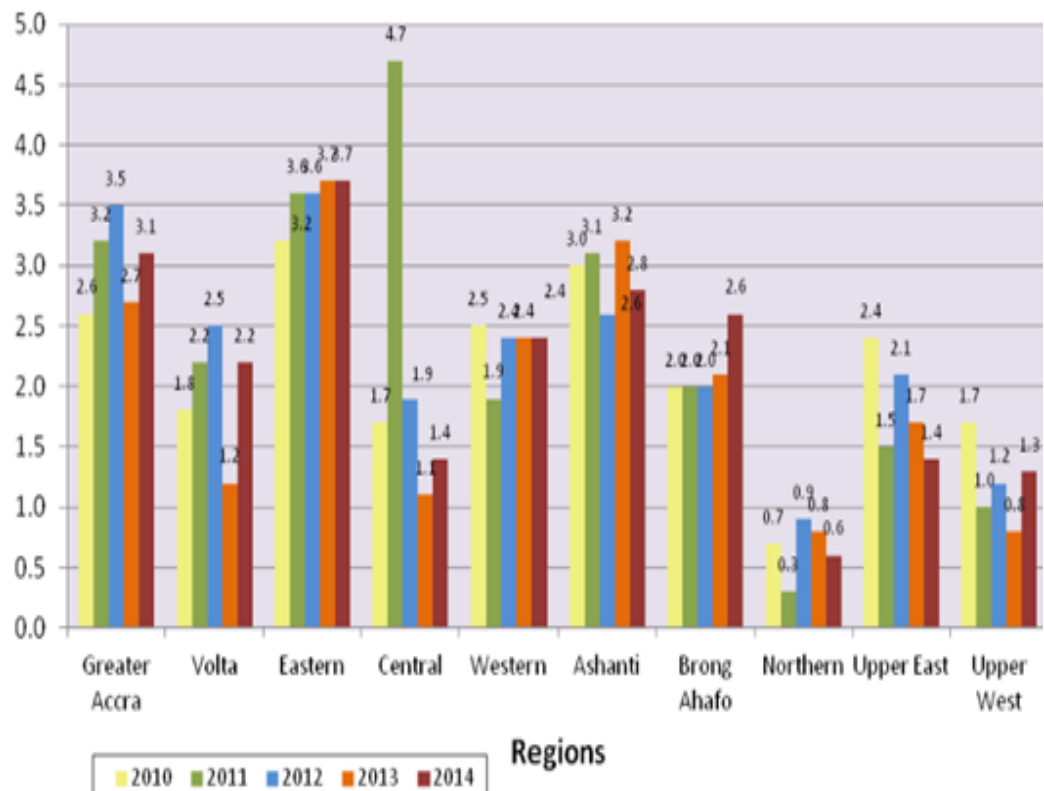
Source: GDHS, 1998, 2003 and 2008

Goal 6: Combat HIV/AIDS, Malaria and Other Diseases

The target for this goal in Ghana is to ensure that the spread of HIV AIDS is halted and reversed by 2015 and also reverse the incidence of malaria and other major diseases by 2015 (GoG and UNDP 2015, P52) . In the case of HIV AIDS, its prevalence varies considerably across the country and is highest in densely populated areas, mining

towns, and towns along borders and main transportation routes (GAC, 2015, p. 34). A regional analysis of HIV prevalence shows that HIV AIDS is highly concentrated in the South, which has the most urban centres, and where all the mining towns are located. Figure 3.3 below is a regional trend analysis of HIV prevalence from 2010 to 2014, which shows that almost all the regions have been experiencing drop and increase in prevalence rate, but the three Northern regions have relatively maintained low prevalence rate.

Figure 3.3 Regional HIV Prevalence Rate 2010-2014



Source; Ghana Aids Commission 2015

Goal 7: Ensure Environmental Sustainability

Ghana's main target for this goal is to integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources (GoG and UNDP 2015, p. 54). On the contrary, the loss of environment has been on the ascendency. For instance, between 1990 and 2010, Ghana lost an average of 125,400 hectares of forest with the annual deforestation rate increasing from 1.5 percent in 1990 to 2.4 percent in 2010 (GoG and UNDP 2013, p. 50).

Although there seems to be inadequate regional data on deforestation, some scholars have argued that the high levels of poverty in northern Ghana has been a major driving force in excessive degradation of the region's vegetation. Braimoh (2006) notes that farming and wood energy exploitation alone have contributed to 12% of the vegetation cover being converted from grass to cropland and pasture fields in the North (p. 1). The excessive vegetation degradation in the North is evidenced by recent signs of desertification in the regions such as water stress, physical loss of soil nutrients, soil erosion, salinization and poor vegetation cover which has poverty implications (Adanu et al, 2013, P,68).

Goal 8: Development a Global Partnership for Development

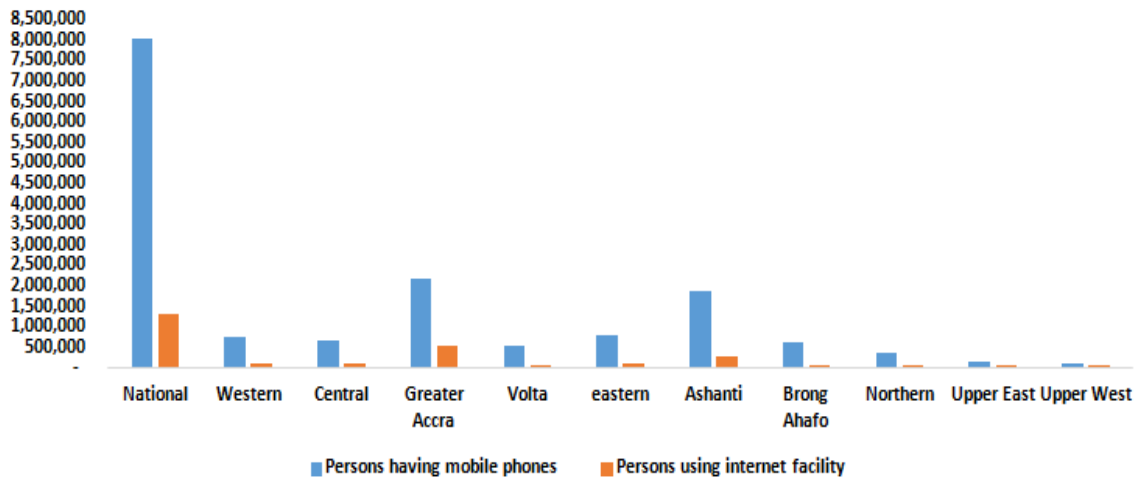
The main objective for this goal is addressing the special needs of developing countries, and this requires developed countries to increase Overseas Development Assistance (ODA) to developing countries to at least 0.7 percent of gross national income (GNI) by 2015. Although, some of the developed countries have reneged on their commitment to fulfill this promise, the amount of ODAs that Ghana has received in recent years is quite substantial and has been a significant component in the country's

development process. For instance, in 2010, ODA alone contributed to 12.8 percent of the country's GDP and from 2003 to 2013 the country has received approximately 17 billion USD from ODA (GoG and UNDP 2013, p. 63 ; GoG and UNDP 2015, p. 64)

Although, there is no actual regional analysis of Ghana's total ODA received, evidence from HIPC grant, a significant aid under the MDG project shows that the South benefited significantly from it because the regional distribution of the grant was largely influenced by population and the number of urban areas in a region.

Another objective for Goal 8 is to ensure that the benefits of new technologies, especially information and communications (ICT) are made available to Ghanaians. Although in recent times Ghana has is experiencing a technological revolution, which is changing the social fabric of the country, the spate of this happening has been spatially uneven. It is estimated that 47.7 percent of Ghanaians who are 12 years and older have mobile phones and about 7.7 percent of these persons have access to internet (GSS, 2012, P 83). However, only about 3.7 and 0.25 percent of persons 12 years and older from the three Northern Region have mobile phones and access to internet respectively (see figure 3.4) .

Figure 3.4 Regional Distribution of Mobile Phone and Internet Usage (for persons 12 years and older)



Source: GSS 2012

From the above, Ghana's progress towards the MDGs seems to be quite impressive. However, in almost all the goals with the exception of Goal 6 which the North has performed relatively better than the South, the North has lagged far behind the South in nearly all the Goals, implying that Ghana's progress with the MDGs cannot be attributed to the entire country. The unequal progress in attaining the various targets of the MDGs also shows how the PRSPs, as policies for reducing the development gap between the

country's North and South have failed. Thus, indicating need for particular policy attention in the three northern regions to address the development deficit in the region.

Chapter 4: Conclusion and Recommendation

The central objective of this thesis was to determine the extent to which Ghana's PRSP was contributing to the reduction of regional inequalities between Ghana's North-South in which the North has historically lagged far behind the South in terms of development, with emphasis on reducing differences in poverty levels between these two regions. The issue of the PRSP's contribution to addressing inequitable regional development is timely because it is the current development policy meant to drive the Global South to development. It is even more important now that the MDGs for which the PRSPs were the guiding policies have reached their sell-by date, yet concerns about growing inequalities including spatial inequalities still remain a central issue in the development discourse as manifested in the new development goals, the SDGs (SDG10), which emphasizes on reducing spatial inequality.

Throughout this thesis, the argument made is to demonstrate that Ghana's PRSP and its associated HIPC initiative, despite the rhetoric of addressing the regional inequality that exists along the country's North-South divide, and also the expectation that reducing regional inequalities in terms of differences in poverty level would inevitably be a part of an effective poverty reducing strategy has failed to do so. Rather, these development programmes have contributed to the increase in inequality between the country's North and South, which is evidenced by the increasing incidence of poverty in the North and a reduction of poverty incidence in the South since their implementation.

This thesis makes the argument that PRSP and the HIPC initiative's framework, both their design and implementation were fraught with several weaknesses that

resulted in increasing Ghana's North-South inequalities. First, poor implementation of the country's HIPC Fund led to inequitable distribution of the HIPC resources which favoured the South even though in the country's PRSPs poverty document, it was suggested that the North would receive greater portion of the HIPC resources because of high incidence of poverty in the region. Second, the overall design of these development programmes were aimed at serving the neoliberal agenda of the IFIs hence the implementation of neoliberal policies such as promoting export of primary goods and private sector development favoured the South. These policies favoured the South because majority of the country's exports are found in this region and also because the "South enjoys more economies of scale than the North" (Aryeetey et al 2009, p13), hence it attracted more investment than the North

Cocoa whose production is concentrated in the South was given preferential support under Ghana's PRSPs which prioritises exports because of its profitability to country as the highest provider of foreign exchange for the country. As a result, cocoa production during the period of the PRSPs increased leading to significant poverty reduction in cocoa growing areas (Whitfield 2009, p. 11), while the North whose economy dominated by food crops consumed domestically was relatively neglected. Even cotton, which is the main exports from the North, because of its less profitability was not supported under the country's PRSPs. Lastly, the implementation of market related policies in the form of promoting private sector development in the GPRS, ultimately led to the concentration of investment in the relatively developed southern regions.

The impact of PRSPs and HIPC initiative on Ghana's North –South inequality is also clearly evidenced by the outcomes of the MDGs, which are the 'development targets that the HIPC initiative and PRSPs served as the guiding policies for their achievement' (Okolo, 2015, p 8). The regions referred to as the North trailed behind the South in achieving almost all the MDGs, especially Goal 1 which focuses on reducing extreme poverty by half in 2015. While all the regions in the South achieved this goal in 2006, the North was far behind the achievement of this goal and even in some of its regions poverty had increased (GoG and UNDP, 2012, P13).

All of these limitations can be linked to the arguments in the literature review which suggested that the PRSP and the HIPC initiative have not been effective in reducing regional inequality in Ghana because these policies were mainly designed to serve the neoliberal agenda of the IFIs of creating neoliberal capitalist global economy that favours multinational national companies and the global North. Hence, regions in poor countries which do not possess the resources that meet the need of the global North or by circumstance of their geographic conditions cannot directly join the global capitalist trade would be underdeveloped.

In what follows, this concluding chapter will also highlight in detail how some of the weaknesses in the PRSP and HIPC framework have made the PRSPs ineffective in addressing the regional inequality that exist in Ghana. First, the claim that the PRSPs are nationally owned policies was not proved at least in Ghana's PRSPs. The fact that Ghana's PRSPs focuses on promoting the Washington consensus model set of policies such as export promotion of basically primary goods, trade liberalisation, markets

oriented policies such as private sector development just like many other countries that implemented the PRSPs raises questions about the true ownership of the country's PRSPs.

Moreover, the theory of political change which underpins the PRS process that the principle of national ownership, which also emphasizes on broad based national participation embedded in the PRSP, would strengthen domestic accountability and elicit governments' commitment to more equitable forms of development did not materialise in Ghana. The existence neo-patrimonial practices in Ghana's politics which influenced the unequal distribution of HIPC resources to favor the South, shows that the theory of change that underpins the PRSPs is based on a mistaken identity of politics in most developing countries.

In a like manner, the neoclassical economic theory, which forms the bed rock of all World Bank and IMF neoliberal policies including the PRSPs postulates that 'spatial inequalities are merely short-term aberrations that arise from structural factors, but are resolved in the long term' (Hirschmann 1958), has been elusive in Ghana. It has been over three decades that Ghana has implemented economic reforms and market liberalization policies (both SAPs and PRSPs), but yet to experience any re-structuring of spatial development patterns which will address the country's North-South inequality. What has happened is that the neoliberal policy regimes have favoured the country's South, which has the resources that are tradable in global capitalist economy, and neglected the North which is less endowed with these resources.

Moreover, the notion that these neoliberal market oriented policies will expedite national growth that will trickle down to reduce poverty under which reducing spatial dimensions of poverty is subsumed (World Bank, 2009), has so far not worked in Ghana. Evidence from this thesis shows that although Ghana has experienced impressive growth over the period that the PRSPs have been implemented, poverty reduction has been slow in northern Ghana and even increased in some parts of the region. Thus, this continuous growing disparity between the North and South debunks the convergence perspective of regional development that underpins the neoclassic economic theory, which argues that spatial inequality under free market policies will be resolved in the long run when equilibrium is reached.

In all, findings from this thesis shows that the PRSP has failed to address the Ghana's North –South inequality and has even widened the gap further. From a broader development perspective, under SAPs the country experienced similar regional development pattern (Brown et al, 2007, p. 20), this therefore suggests that development policies that are neoliberal in their approach have been ineffective in meeting the country's regional development objective of bridging the development gap between the North and South. This Ghanaian experience therefore tends to debunk the orthodox economic theory which underpins the neoliberal ideology that market oriented policies resolve unequal regional development patterns in the long term. Indeed , literature actually abounds with evidence of the inability of the PRSP and its associated HIPC initiative to enhance inclusive and equitable development outcomes in countries that implemented these policies; this is so much so that even in countries where the PRSP is

stated by the IFIs to have been successful in reducing poverty such as Uganda and Bolivia, it has been observed that there are concerns about growing inequalities including regional inequality in these countries (see Booth and Curran 2005; Okolo 2015)

Recommendations

In this thesis, we make the argument that because the PRSPs are basically neoliberal in nature, they mostly benefit regions with resources and other conditions that serve the neoliberal agenda and neglect regions which lack these resources, thus leading to regional differences in development. However, this argument is based on the implementation of the PRSPs in Ghana, and there is need for further research in order to see whether and to what extent such arguments hold true in other developing countries with similar regional differences like Ghana. Nonetheless, the need to reform PRSPs' framework cannot possibly be overemphasized particularly now that the new set of development goals-the SDGs, which place emphasis on addressing all forms of inequality including horizontal inequalities. Several suggestions for PRSP reforms have been put forward by different think tanks on PRSP effectiveness in reducing regional disparity in poverty. The conclusion drawn from this thesis basically emphasises the need for reforms of the PRS process beginning from its policy framework which should apply the appropriate principles leading to pro poor, inclusive and equitable development outcome. Some of the recommendations include:

The need for countries' PRSPs to look beyond the one-size fit all policies for addressing issues of unequal regional development, particularly in countries where there are significant regional or spatial differences in resources. This is because the one-size-fit-all neoliberal policies such as the promotion of export and free market seen in nearly all country PRSPs thrive in only regions with the resources and characteristics that support them as seen in the case of Ghana. In order to address unequal regional development in countries' PRSPs, it is important for these policies to take into consideration the social, cultural, and institutional characteristics of places especially those that are least developed. This approach will also require that country PRSPs include proper national consultative process to involve inhabitants of least developed or marginalised regions to ensure that their needs are addressed.

Although, we suggest that a proper national consultative process may help in addressing inequitable development of places within countries, we admit this approach may not be adequate in many developing countries where politics of clientelism and neo-patrimonial practices are prevalent. In view of this, we suggest that donors can also help in mitigating the effects of clientelism and neo-patrimonial practices on regional development processes in many aid dependent countries. Donors should make the reduction of regional inequality part of the objectives of their aid policies and also engage aid recipient countries in a dialogue on the need to address unequal regional development. This suggestion, however, does not in any means imply that reducing regional inequality should be made a condition in the PRS process as the PRSP package is already replete with so many conditionalities which stifle the policy autonomy of developing countries.

In addition, we also propose that countries should place more emphasis on growth that can be directly linked to the poor particularly those in marginalised areas and not growth policies that are based on the trickle-down approach. Thus in Ghana for instance, where the North – South inequality results from limited economic activities in the North, there is the need for government to engage in productive investment that will enhance pro-poor growth in the North.

REFERENCES

- Abbott, P. (2013). Cocoa and Cotton Commodity Chains In West Africa: Policy and Institutional Roles for Small-Holder Market Participation. *Elbehri, A.(2013)(ed.): Rebuilding West Africa's Food Potential. FAO/IFAD..*
- Abdulai, A. G. & Hulme, D. (2014). The politics of regional inequality in Ghana: State elites, donors and PRSPs (No. esid-041-14). BWPI, University of Manchester.
- Aboyade, B.O. (1987). *The Provision of Information for Rural Development*. Ibadan, Nigeria: Fountain Publishers
- Acemoglu, D. and Robinson, J. A. (2005), *Economic Origins of Dictatorship and Democracy*. New York: Cambridge University Press.
- Adanu, S. K., Mensah, F. K., & Adanu, S. K. (2013). *Enhancing Environmental Integrity in the Northern Savanna Zone of Ghana: A Remote Sensing and GIS Approach*. *Journal of Environment and Earth Science*, 3(5).
- African Development Bank (2002), 'Ghana: Cocoa Rehabilitation Project Performance Evaluation Report', ADB/BD/WP/2002/125
- Anyinam, C. (1994), *Spatial Implications of Structural Adjustment Programmes in Ghana*, *Tijdschrift Voor Economische En Sociale Geografie* 85(5):446–460
- Alkire, S., & Foster, J. (2011). *Counting and Multidimensional Poverty Measurement*. *Journal of public economics*, 95(7), 476-487.
- Aliyu, A. (2002) *Re-Structuring of the Poverty Alleviation Activities of the Federal Government of Nigeria, Abuja National Poverty Eradication Programme*
- Aryeetey-Attoh, S., and Chatterjee, L. (1988), *Regional Inequalities in Ghana: Assessment and Policy Issues*, *Tijdschrift voor Eco. en Soc. Geografie* 79 (1):31- 38.
- Aryeetey, E., Owusu, G., and Mensah, E. J. (2009), *An Analysis of Poverty and Regional Inequalities in Ghana, Global Development Network, Working Paper No. 27* October.
- Aryeetey, E., & Kanbur, R. (2005). *Ghana's Economy at Half Century: An overview of stability, growth and poverty*. Cornell University. Department of Applied Economics and Management.

- Aryeetey, E. (1985), *Decentralizing Regional Planning in Ghana*, Dortmunder Beitrage zur Raumplanung 42, Universitaet Dortmund, Dortmund Germany
- Azeem, V., Akolgo, B., Breakell, L., Paalman, M., Poate, D., and Rothmann, I. (2006), *Evaluation of DFID Country Programmes Country Study: Ghana 2000-200*, Evaluation Report EV662, March 2006.
- Baumol, W. J., & Blinder, A. S. (1998). *Microeconomics: Policy and Principles*. Orlando, FL: Dryden Press, Harcourt Brace College Publishers, 1998.
- Beer, A., Clower, T., Haughtow, G., & Maude, A. (2005). Neoliberalism and the Institutions for Regional Development in Australia. *Geographical research*, 43(1), 49-58.
- Beitz, C. R. (1982), 'Democracy in Developing Societies'. In R.Gastil (ed.). *Freedom in the World: Political Rights and Civil Liberties* (New York: Freedom House), pp. 145–166.
- Boateng, E. O., Ewusi, K., Kanbur, R., and McKay, A. (1990), *A Poverty Profile for Ghana 1987-88*. Working Paper No.5, Policy Analysis. Social Dimensions of Adjustment in Sub-Saharan Africa (Washington DC: The World Bank)
- Bond, P., & Dor, G. (2003). Neoliberalism and Poverty Reduction Strategies in Africa. EQUINET, Discussion Number Paper, 3, 1-31.
- Booth, D. (2005). *Missing Links in the Politics of Development: Learning from the PRSP Experiment*. London: Overseas Development Institute.
- Booth, D., & Curran, Z. (2005). *Developing the Empirical Evidence for DFID's Strategy on Exclusion: Aid instruments and exclusion*. London: Overseas Development Institute.
- Bourguignon, F., & Chakravarty, S. R. (2003). The measurement of multidimensional poverty. *The Journal of Economic Inequality*, 1(1), 25-49.
- Braimoh, A. K. (2006). Random and Systematic Land-Cover Transitions in Northern Ghana. *Agriculture, ecosystems & environment*, 113(1), 254-263.
- Bwalya, E., Rakner, L., Svåsand, L., Tostensen, A., and Tsoka, M. (2004), *Poverty reduction strategy processes in Malawi and Zambia* .(Bergen, Norway: Chr.Michelsen Institute).

- Canagarajah, S., & Van Diesen, A. (2006). The Poverty Reduction Strategy Approach Six Years on: An examination of principles and practice in Uganda. *Development policy review*, 24(6), 647-667.
- Clark, G. L. (1980), 'Capitalism and Regional Inequality', *Annals of the Association of American Geographers*, 70(2): 226-237.
- Cohen, J. M. (1995). *Ethnicity, Foreign Aid and Economic Growth in Sub-Saharan Africa: The Case of Kenya*. Development Discussion Paper No. 520. Cambridge, MA: Harvard Institute for International Development.
- Cox, G. W., McCubbins, M. D. (1986), Electoral Politics as a Redistributive Game', *The Journal of Politics* 48(2):370-89.
- Christian Aid, (2001) *Ignoring the Experts: Poor People's Exclusion from Poverty Reduction Strategies*, Policy Briefing. London: Christian Aid
- Chambers, R., & Conway, G. (1992). *Sustainable Rural Livelihoods: Practical Concepts for the 21st century*. Institute of Development Studies (UK).
- Cheru, F. (2006). Building and Supporting PRSPs in Africa: what has worked well so far? What needs changing? *Third World Quarterly* 27(2), 355-376
- Crawford, G., & Abdulai, A. (2009). The World Bank and Ghana's Poverty Reduction Strategies: Strengthening the State or Consolidating Neoliberalism?. *Labour, Capital & Society*, 42(1/2), 82-115.
- Craig, D. and Porter. D. (2003), Poverty Reduction Strategy Papers: A New Convergence, *World Development*, 31(1):53-69.
- Crouch, C. (2011). *The strange non-death of neo-liberalism*. 2011 Cambridge Polity Press.
- Demombynes, G. (2008). Poverty Profile of Nicaragua. In World Bank (Ed.), *Nicaragua Poverty Assessment 2008. Volume II: Background Paper* (pp. 1–21). Washington D.C.: The World Bank. DeSa, U. N. (2013). Inequality matters. Report on the World Social Situation 2013. *New York, United Nations*.
- Deardorff, A. V., Stern, R. M., & Baru, S. R. (Eds.). (1994). *The Stolper-Samuelson theorem: a golden jubilee* (No. 344). University of Michigan Press.

- Dickson, K. B. (1975), Development Planning and National Integration in Ghana, in D. R. Smock and K. Bentsi-Enchill (eds.) *The search for national integration in Africa* (New York: The Free Press).
- Driscoll, R., & Evans, A. (2005). Second-Generation Poverty Reduction Strategies: New Opportunities and Emerging Issues. *Development Policy Review*, 23(1), 5-25
- Ewusi, K. (1976), Disparities in Levels of Regional Development in Ghana, *Social Indicators Research* 3(1): 76-100.
- Fan, S., Kanbur, R., & Zhang, X. (2008). *Regional Inequality in China: An Overview. China's Regional Disparities: Experience and Policies*. Itacha, New York: Cornell University Pres
- Fukuda-Parr, S. (2010). Reducing Inequality–The Missing MDG: A Content Review of PRSPs and Bilateral Donor Policy Statements. *IDS Bulletin*, 41(1), 26-35
- Ghana Aids Commission (2015), *Country Aids Response Progress Report*.(GAC, Accra,Ghana) Retrieved on 15th December 2016 from http://files.unaids.org/en/dataanalysis/knowyourresponse/countryprogressreports/2014countries/GHA_narrative_report_2014.pdf .
- Ghana Investment Promotion Centre(2007).*Quarterly investment report* (GIPC, Accra, Ghana.)
- Ghana Statistical Service (2014). *Ghana living standards survey: Report of the Sixth round*. Accra: Ghana. Retrieved on 25th September, 2015 from http://www.statsghana.gov.gh/docfiles/glss6_report.pdf
- Ghana Statistical Service (2013) *Population and Housing Census 2010: Summary Report*. Accra, Ghana.
- Ghana Statistical Service (GSS) and ICF Macro (2009) *Ghana Demographic and Health Survey 2008* (Accra, Ghana: GSS, GHS, and ICF Macro).
- Ghana Statistical Service (2008), *Ghana Living Standards Survey Report of the Fifth Round (GLSS 5)*, (Accra: Ghana Statistical Service)
- Ghana Statistical Service (2007), *Pattern and Trends of Poverty in Ghana 1991-2006* (GSS, Accra, Ghana).
- Ghana Statistical Service (2007), *Pattern and Trends of Poverty in Ghana 1991-2006* (GSS, Accra, Ghana).

- Ghana Statistical Service (2002) *Population and Housing Census 2000: Summary Report*. Accra, Ghana
- Gillson, I.; Poulton, C.; Balcombe, K. and Page, S. (2004) *Understanding the Impact of Cotton Subsidies on Developing Countries and Poor People in those Countries*. London: Overseas Development Institute.
- GoG (2005), *Growth and Poverty Reduction Strategy (GPRS II) (2006-2009)*. Accra: National Development Planning Commission, November 2005.
- GoG (2003), *Ghana Poverty Reduction Strategy 2003-2005:an Agenda for Growth and Prosperity*. Accra, Ghana
- GoG, NDPC and UNDP (2015), *Ghana's Millennium Development Goals Report*. Accra Ghana. Retrieved on 20th November 2016 from <http://www.gh.undp.org/content/ghana/en/home/library/poverty/2015-ghana-millennium-development-goals-report.html>
- GoG, NDPC and UNDP (2012) , *Ghana's Millennium Development Goals 2010 Report* Accra,Ghana. Retrieved on 20th November 2016 from <https://s3.amazonaws.com/ndpc-static/pubication/2010+Ghana+MDGs+Report.pdf>
- Grimm, M., and Klasen, S. (2007), Findings and Challenges in the Measurement and Analysis of Pro-Poor Growth, in M. Grimm, S. Klasen and A. McKay (eds.) *Determinants of pro-Poor Growth: Analytical Issues and Findings from Country Cases*, (New York: Palgrave Macmillan), pp.1-19
- Grusky, D., & Kanbur, R. (2006). Conceptual Ferment in Poverty and Inequality Measurement: The View from Economics and Sociology. *Poverty and Inequality*, 1-29.
- Haan, A. D., & Maxwell, S. (1998). Editorial: Poverty and Social exclusion in North and South. *ids Bulletin*, 29(1), 1-9.
- Hallensleben, N. (2012). *Characterizing Poor Smallholder Farmers in Nicaragua: Factors Influencing the Success Or Failure of Micro-irrigation Users* (Doctoral dissertation).
- Harvey, D. (1975), *The Geography of Capitalist Accumulation: A Reconstruction of the Marxian Theory*, *Antipode*, 7(2): 9-21.

- Henderson, J. Vernon. 2010. Cities and Development, *Journal of Regional Science*, 50(1), 515–540.
- Hoekman, B., Michalopoulos, C., & Winter, L. A. (2004). Special and differential treatment of developing countries in the WTO: *Moving forward after Cancun*. *The World Economy*, 27(4), 481-506.
- Hirschman, A.O. 1958: *The Strategy of Economic Development*, New Haven: Yale University Press.
- Hickey, S. and Mohan, G. (2008), The politics of Establishing Pro-poor Accountability: What Can Poverty Reduction Strategies Achieve? *Review of International Political Economy*, 15(2):234–258
- Higgins, K, Bird, K., and Harris, D. (2010), ‘Policy responses to the spatial dimensions of poverty’, ODI Working Paper 328 and CPRC Working Paper 168. Overseas Development Institute and Chronic Poverty Research Centre
- International Monetary Fund (IMF) (2000), *World Economic Outlook: Asset Prices and the Business Cycle* (Washington D.C.: International Monetary Fund), May 2000.
- ISSER/CEPA 2004: *Accessible Information for Development Dialogue*. A study commissioned by UK’s Department for International Development (DFID), Accra
- Kanbur, R., & Venables, A. J. (eds.) (2005a), *Spatial Inequality and Development* (Oxford: Oxford University Press).
- Khan, M. H. (2005), Markets, States and Democracy: Patron-client Networks and the Case for Democracy in Developing Countries, *Democratization*, 12(5):704-724
- Khor, M. (2006), The Impact of Globalisation and Liberalisation on Agriculture and Small Farmers in Developing Countries: The Experience of Ghana, *Third World Network*.
- Konadu-Agyemang, K. (2000). The Best of Times and the Worst of Times: Structural Adjustment Programs and Uneven Development in Africa: the case of Ghana. *The Professional Geographer*, 52(3), 469-483.
- Konings, P. (1981), *Peasantry and State in Ghana: The Example of the Veve Irrigation Project in the Upper Region of Ghana*. Working Paper No.5, African Studies Centre, Leiden, The Netherlands.
- Ladouceur, P. A. (1979), *Chiefs and Politicians: The Politics of Regionalism in Northern Ghana* (London and New York: Longman Group Ltd.).

- Langer, A. (2009), Living with Diversity: The Peaceful Management of Horizontal Inequalities in Ghana, *Journal of International Development*, 21:534-546
- Lawson, A., Gyimah Boadi, E., Ghartey, A Killick, T., Kizilbash, Z., A. and Williamson, T. (2007), 'Joint Evaluation of Multi-Donor Budget Support to Ghana', Report to the Government of Ghana and to the MDDBS Partners, Volume One: Evaluation Results and Recommendations on Future Design & Management of Ghana MDDBS (London: ODI & Accra: Ghana Centre for Democratic Development), FinalReport, June.
- Lennox, C., (2003), *Minority and Indigenous Peoples' Rights in the Millennium Development Goals* MRG Briefing, London: Minority Rights Group International
- Mancini, L. (2009), *Comparative Trends in Ethno-Regional Inequalities in Ghana and Nigeria: Evidence from Demographic and Health Surveys*, CRISE Working Paper No. 72 (Centre for Research on Inequality, Human Security and Ethnicity, University of Oxford).
- Martin, R., and Sunley, P. (1996), *Slow Convergence? Post-Neoclassical Endogenous Growth Theory and Regional Development*, ESRC Centre for Business Research, Working Paper No. 44 (Cambridge: University of Cambridge). Available at: <http://www.cbr.cam.ac.uk/pdf/wp044.pdf> [Accessed on 25 February 2016].
- McCombie, J. S. (1988). A Synoptic View of Regional Growth and Unemployment: the Neoclassical Theory. *Urban Studies*, 25(4), 267-281.
- McKay, A., and Shepherd, A., with Plagerson, S. (2005), People, Place and Subnational Growth: Ghana case study'.
- McKay, A., & Aryeetey, E. (2007). Growth with Poverty Reduction, but Increased Spatial Inequality: Ghana over the 1990s.
- McKinley, T. (2004, January). Economic Policies for Growth and Poverty Reduction: PRSPs, Neoliberal Conditionalities and "Post Consensus" Alternatives. In *IDEAs International Conference: The Economics of the New Imperialism*
- Morduch, J. (2006). Concepts of poverty. Handbook on Poverty Statistics: Concepts, Methods and Policy use, 23–50
- Mohan, G. (2009), 'Structural adjustment'. In: Kitchin, R. and Thrift, N. (eds.) in *International Encyclopaedia of Human Geography* (Oxford, UK: Elsevier), pp. 1–9
- Mohan, G. (2002), 'the Disappointments of Civil Society: the politics of NGO

Intervention in northern Ghana', *Political Geography* 21:125-154

- Melamed, C. (2012). Putting Inequality in the Post-2015 picture' (London: Overseas Development Institute).
- Ministry of Finance and Economic Planning (MOFEP). 2001. *The budget statement and economic policy of the government of Ghana for the 2001 Financial Year*. Accra, Ghana.
- Myrdal, G., 1957: *Economic Theory and Underdeveloped Areas*, London: Duckworth.
- Narayan, D. et al (2000) *Voices of the Poor: Can Anyone Hear Us?* World Bank, New York.
- Nafziger, E. Wayne. 1990. *The Economics of Developing Countries*. Englewoods, NJ: Prentice Hall.
- NDPC (2007), *The Implementation of the Growth and Poverty Reduction Strategy (GPRS II), 2006 Annual Progress Report*, Accra: Government of Ghana. March 31, 2007
- NDPC (2004), *Ghana Poverty Reduction Strategy 2003 Annual Progress Report* (Accra: Government of Ghana), March 2004.
- NDPC (2003), *Implementation of the Ghana Poverty Reduction Strategy, 2002 Annual Progress Report* (Accra: Government of Ghana), May 30th 2003.
- Obeng-Odoom, F. (2012). Neoliberalism and the urban economy in Ghana: Urban Employment, Inequality, and Poverty. *Growth and Change*, 43(1), 85-109.
- Oduro, A., & Aryee, I. (2003). Investigating Chronic Poverty in West Africa. CPRC Working Paper 28(April 2003).
- Ofori-Boateng, K., & Insah, B. A. B. (2015). Assessment of Poverty Levels in Selected Districts of Rural Ghana. *Assessment*, 8.
- Osaghae, E. E. (2006), 'Ethnicity and the State in Africa', Working paper No.7. Afrasian Centre for Peace and Development Studies.
- Ouma, S., Boeckler, M. and Lindner, P. (2012), 'Extending the Margins of marketization: Frontier Regions and the Making of agro-export markets in Northern Ghana' *Geoforum*
- Overseas Development Institute and the Centre for Policy Analysis (2005), 'Economic Growth in Northern Ghana', Revised Report for DFID Ghana, October, 2005

- Owusu, G. 2005: *The Role of District Capitals in Regional Development: Linking Small Towns, Rural-urban Linkages and Decentralisation in Ghana*, PhD Thesis, Norwegian University of Science and Technology (NTNU).
- Owusu, F. Y. (1992), *Regional inequality in Development and Migration in Ghana*, A thesis submitted to the Faculty of Graduate Studies and Research in partial fulfilment for the degree of Masters, Department of Geography, Carleton University, Canada.
- Ozgen, C., Nijkamp, P., and Poot, J. (2009), *The Effect of Migration on Income Growth and Convergence: Meta-Analytic Evidence*, Discussion Paper No. 4522, The Institute for the Study of Labour, Bonn. Available at: <http://ftp.iza.org/dp4522.pdf>, accessed on 25 February 2016.
- Piketty, T. (2006), The Kuznets Curve: Yesterday and Tomorrow. In A. V. Banerjee, R. Benabou & D. Mookherjee (Eds.), *Understanding poverty* (Oxford: Oxford University Press).
- Plange, Nii-K. (1976), *Colonialism and Underdevelopment of Northern Ghana: The Political Sociology of the Colonial Situation, 1900-1950*. PhD Thesis Submitted to the University of Toronto, Canada.
- Quiñones, E. J., & Diao, X. (2011). Assessing Crop Production and Input Use Patterns in Ghana: What Can We Learn from the Ghana Living Standards Survey (GLSS5). *IFPRI Ghana Strategy Support Program Working Paper, 24*.
- Rodriguez-Pose, A., & Gill, N. (2003), *Is there a global link between regional disparities and devolution?*, Research Papers in Environmental and Spatial Analysis No. 79, Department of Geography & Environment, London School of Economics and Political Science, London.
- Rückert, A. (2007). Producing neoliberal hegemony? A neo-Gramscian Analysis of the Poverty Reduction Strategy Paper (PRSP) in Nicaragua. *Studies in Political Economy*, 79(1), 91-118.
- Sembene, M. D. (2015). *Poverty, Growth, and Inequality in Sub-Saharan Africa: Did the Walk Match the Talk under the PRSP Approach?* (No. 15-122). International Monetary Fund.
- Sen, A. (1999). *Development as freedom*. Oxford: Oxford University Press.

- SEND-Foundation (2006), *Where Did Ghana's HIPC Funds Go? Assessing HIPC Expenditures on Poverty Alleviation 2002-2004*. SEND, July. Accra Ghana.
- Stiglitz, J. E. (2012). *The Price of Inequality: How today's divided society endangers our future*. WW Norton & Company.
- Shepherd, A., Gyimah-Boadi, E., Gariba, S., Plagerson, S. and Wahab Musa, A. 2004: *Bridging the North-South divide in Ghana*, A Background paper for the 2005/2006 World Development Report
- Stewart, F., & Wang, M. (2003). *Do PRSPs empower poor countries and disempower the World Bank, or is it the other way round?*. Queen Elizabeth House, University of Oxford.
- Songsore, J. (2011), *Regional Development in Ghana: The Theory and the Reality* (Accra: Woeli Publishing Services), New Edition.
- Songsore, J., & Denkabe, A. (1995). *Challenging rural poverty in Northern Ghana: The case of the upper-west region*. University of Trondheim.
- Songsore, J. (2003), *Regional development in Ghana: The theory and the reality*, (Accra: Woeli Publishing Services).
- Streeten, P. (1998). Beyond the six veils: conceptualizing and measuring poverty. *Journal of International Affairs*, 52(1).
- Sutton, I. (1989), 'Colonial Agricultural Policy: The Non-Development of the Northern Territories of the Gold Coast', *The International Journal of African Historical Studies*, 22(4):637-669.
- Turok, I. (2011), *Inclusive growth: Meaningful goal or mirage?* ,In A. Pike, A. Rodriguez-Pose, and J. Tom (eds.), *Handbook of Local and Regional Development*(London and New York), pp.74-86.
- UNDP (2015) Human Development Index (HDI) | Human Development Reports. Retrieved on 20th July 2016 from hdr.undp.org/en/content/human-development-index-hdi
- UNDP(2013) Non-Monetary Poverty in Ghana. New York . Oxford University Press. Retrieved on 20th September , 2015 from www.gh.undp.org/.../ghana/.../Non-Monetary%20Poverty%20in%20Ghana

- UNDP (2005), *Human Development Report 2005: International cooperation at a crossroads – Aid, trade and security in an unequal world* (New York: United Nations Development Programme).
- UNDP and ISSER (1997), *Ghana Human Development Report 1997*, UNDP/ISSER, Accra.
- United Nations (2005), *The Inequality Predicament: Report on the World Social Situation 2005* (New York: United Nations Department of Economic and Social Affairs)
- UNCTAD (2011), ‘Ghana Science, Technology & Innovation Policy Review’ (Geneva: United Nations).
- Vandemoortele, J. (2011). The MDG story: intention denied. *Development and Change*, 42(1),1-21.
- Verba, S., Schlozman, K., Brady, H., & Nie, N. (1993). Citizen activity: who participates? What do they say? *American Political Science Review*, 303–318.
- Wagle, U. (2002). Rethinking poverty: definition and measurement. *International Social Science Journal*, 54(171), 155–165.
- Weber, H. (2006). A political analysis of the PRSP initiative: Social struggles and the organization of persistent relations of inequality. *Globalizations*, 3(2), 187-206.
- Weinstein, L. (2010), ‘The Politics of Government Expenditures in Tanzania: 1999-2007’, Paper presented at WPAGE, Pomona College, April 30 – May 1, 2010.
- Whaites, A. (2000). *PRSPs: Good News for the Poor? Social Conditionality, Participation and Poverty Reduction*. California: World Vision International.
- Whitfield, L. (2010), ‘The State Elite, PRSPs and Policy Implementation in Aid-Dependent Ghana’ *Third World Quarterly*, 31(5):721-737
- Whitfield, L. (2009a). *The new'New Poverty Agenda'in Ghana: What impact?* (No. 2009: 15). DIIS working paper.
- Whitfield, L. (2009b), ‘Elites and the Rise of the Horticulture Export Industry in Ghana’, WIDER Conference Paper (Copenhagen: Danish Institute for International Studies).

- Whitfield, L. (2005), 'Trustees of development from conditionality to governance: poverty reduction strategy papers in Ghana'. *Journal of Modern African Studies* 43:641-664
- Woll, B. (2008), 'Donor harmonisation and government ownership: multi-donor budget support in Ghana', *The European Journal of Development Research* 20 (1): 74–87
- World Bank (2011), 'Tackling Poverty in Northern Ghana', Report No. 53991-GH. (Washington D.C.: World Bank Africa Region).
- World Bank (1999) "Nigerian Consultations with the Poor". Report of the Global Synthesis Workshop Septmber 22-23, 1999.
- World Bank (1995), 'Ghana: Growth, Private Sector, and Poverty Reduction – A Country Economic Memorandum', Report No. 14111-GH, West Africa Central Department, the World Bank.
- World Bank.. 1994. *Adjustment in Africa: Reforms, Results, and the Road Ahead*. New York: Oxford University Press for the World Bank.