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SIX DECADES OF THE PUBLIC SECTOR IN GHANA: ISSUES AND PROSPECTS

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1. Introduction

The public sector in Ghana has attracted concern and interest among politicians, citizens, public servants, and development partners (DPs) during the past six decades of independence since 1957. This is because it is clear from the literature that no country can make any meaningful progress towards developmental governance capacity without a professional, meritocratic, and effective public service capable of delivering value-for-money services as the experience of the Asian developmental states has shown.¹ The public-sector designs and implements policies and programs that aim to fulfill the government's broad economic and social objectives. Specifically, it performs four functions, (i) *making economic and social policies*; (ii) *designing and implementing public programmes*; (iii) *raising*

revenue; and (iv) *managing accountability*. In short, the public sector delivers services and produces goods to citizens, organizations, or other levels of government. It is a Herculean task to assess the performance of the public sector in Ghana during the past sixty years in this paper. This notwithstanding, the paper examines some of the key recurring or burning themes or issues which have been associated with the public sector during these six decades. These themes are as follows:

- i) The composition, size, and nomenclatures of organizations in the public sector
- ii) The political context in which public servants operate
- iii) Recruitment: professionalism versus politicization
- iv) Service delivery
- v) Reform
- vi) Pockets of effectiveness

¹ The Singapore Civil Service (SCS) is known for high level of meritocracy, a strong focus on the integrated strategic planning, a high capacity to support the public and private companies' businesses, lack of corruption, ability to ensure a high level of technical - scientific and humanistic knowledge through an innovative educational system. Furthermore, the experience of Singapore reveals that "virtuous cycles" between the public service and national development in multiple realms, political history, geographic location, party politics, macroeconomic considerations, adaptability of the civil service, and farsightedness of political leaders are critical factors in determining outcomes, the type of change, and the scope of reform initiatives (see M.S. Haque, *Public Administration and Public Governance in Singapore*, in Pan Suk Kim (ed.) *Public Administration and Public Governance in ASEAN Member Countries and Korea*. Seoul: Daeyoung Moonhwas Publishing Company, 2009; and N.C. Saxena, *Virtuous Cycles: The Singapore Public Service and National Development*. New York: UNDP, 2011).

Thereafter, the paper deals with the future of the public sector and emphasizes that once there are short- and medium-term opportunities the future of the public sector is bright and that those opportunities should therefore not be missed.

Before we deal with the themes a brief history of the public sector is necessary for better understanding.

2. Brief History of the Public Sector in Ghana

The beginnings of the public sector in Ghana could be traced to the colonial bureaucracy which then consisted mainly of the civil and local government services.² The major mandate of the services was to realize what is known as the “Pax Britannica” literally meaning “British Peace” when the British Empire became the global hegemonic power and adopted the role of a global police force.³ In addition, the services were to collect taxes as well as natural resources to feed the administrative and industrial sectors in Britain. There was no emphasis on policy development or service delivery. The top hierarchy was the preserve of the British, while the Ghanaians occupied the lower rank.⁴ Furthermore, there was no attempt to train or orient the administrative machinery to serve the needs of the ordinary citizen. The only exception was the Lidbury Commission, established to find ways of restructuring and improving the performance of the civil service under the 1951 self-government constitution.⁵ A Public Service Commission (PSC) was created by the 1951 Constitution (Order-in Council) to advise on issues relating to appointments including the administration of competitive entrance examinations into the civil service, transfers and disciplinary control of public officers.

Perhaps one of the most notable features of the civil and local government services is that they were imbued with the best traditions of the British civil service and therefore hailed as one of the best and most efficient in Africa.⁶

At independence in 1957, Kwame Nkrumah and the Convention People’s Party (CPP) government embarked on a policy of “Africanization” of the Civil Service,⁷ which was geared towards replacing all expatriates in the bureaucracy, especially in areas of policy advising and formulation and brought a large increase in the salaries of clerks, bureaucrats, and managerial personnel.⁸ According to Bennell, “in many respects, the Africanization of the civil service became the most important political issue during the 1950s, because the replacement of British bureaucrats by Africans was considered to be the fundamental precondition for the attainment of true independence”.⁹

To realize his vision of accelerated development and remain in line with his socialist ideas, Kwame Nkrumah created state enterprises in almost all spheres of government endeavour thereby marking the beginnings of the public sector, which expanded under his government. A State Enterprises Secretariat was set up to be the umbrella body for the state enterprises. His proclivity to create and centralize public sector institutions under his presidency compounded the human resource management (HRM) problems, especially in the early years of independence.¹⁰ Power was concentrated in the center, at the political level, as well as at the level of the political head of government.¹¹

A significant problem for HRM was how the Nkrumah government dealt with the PSC and the public service in general: especially the creation of a Civil Service

² There were also the Judicial Service Commission and Police Service Commission.

³ J. Morris, *Pax Britannica: Climax of an Empire*, Fort Washington, PA: Harvest Books, 2002.

⁴ Joseph R.A. Aye, “Public Sector Manpower Development during the Nkrumah Period, 1951-1966”, in K. Arhin (ed.) *The Life and Work of Kwame Nkrumah*. Accra: Sedco, 1991, Chapter 14.

⁵ T.B. Wereko, *Public Sector Reforms in Ghana: In search of Effective Service Delivery*. Ghana Speaks Lecture/Seminar series, 1, Accra, Ghana: Institute for Democratic Governance, 2008.

⁶ J. Morris, *Pax Britannica: Climax of an Empire*, Fort Washington, PA: Harvest Books, 2002.

⁷ A.L. Adu, *The Civil Service in Commonwealth Africa: Development and Transition*. London: George Allen & Unwin Ltd, 1969; C.H. Muwanga-Barlow, *The Development of Administrative Sciences in English-speaking Africa*. *International Review of Administrative Sciences*, 44, 1, 1978: 93-105.

⁸ F. Appiah, “The Politics of professionalization, Africanization and reorganization of the post-colonial Ghanaian Civil service”, F. Appiah, D.P. Chimanikire & T. Gran (eds.) *Professionalism and good governance in Africa* (pp. 88-120) Trondheim: Abstrakt forlag, 2004; J. Kraus, “Strikes and labour power in Ghana”, *Development and Change*, 10(2), 1979: 259-286.

⁹ P. Bennell, “The colonial legacy of salary structures in Anglophone Africa”. *The Journal of Modern African Studies*, 20(1), 1982: 148.

¹⁰ J.R.A. Aye, “Public sector manpower development during the Nkrumah period, 1951-1966”, in K. Arhin (ed.) *The Life and Work of Kwame Nkrumah*. Accra: Sedco Press, 1991.

¹¹ A.L. Adu, “The Administrator and Change”, in A.H. Rweyemamu and G. Hyden (eds.) *A Decade of Public Administration in Africa*. Nairobi: East African Literature Bureau, 1975; J. Nti, “Ghana’s Experience in Administrative Reform of the Central Bureaucracy”, in A.H. Rweyemamu, and G. Hyden (eds.) *A Decade of Public Administration in Africa*. Nairobi: East African Literature Bureau, 1975.

Commission alongside the existing PSC to deal with the ministries and departments outside the larger public service.¹² Furthermore, apart from the creation of a number of institutions such as the State Enterprises Secretariat, and recruiting party faithful to man them, the government curtailed the powers of the PSC to administer its function. For instance, “the jurisdiction scope of the PSC was curtailed in the 1960s to exclude all organizations other than the civil service and its powers as regards the appointments of heads and deputy of departments were also curtailed”.¹³ The PSC was later dissolved, and its functions merged with the Establishment Secretariat under political control.¹⁴

Another serious issue was the politicization of the civil service,¹⁵ including the co-opting of civil servants into the Kwame Nkrumah Ideological Institute, and the government’s ability to dismiss public servants if it believed such officials were not loyal to the state and devoted to the causes of Ghana and Africa.¹⁶ Accordingly, **the bureaucracy was used as part of the means of achieving partisan objectives or rewarding political loyalists to the detriment of overall public service efficiency and effectiveness.**¹⁷ It is not surprising that Ayee, cynically remarked that by “1965...one [was] tempted to say that Ghana had become almost a classic example of an administrative system on the verge of collapse”,¹⁸ brought to that pass by poor personnel management under Nkrumah.

In addition, various administrative structures (some moved existing units out of their parent organizations to form separate secretariats) were created outside the regular public services and placed¹⁹ under the office of the president²⁰ ostensibly to enhance national

development. (Haruna, 2003). They include state-owned enterprises, quasi-governmental institutions, and specialized secretariats such as the State Planning Commission.

These policies created an “administrative labyrinth” for the state, with over 31 ministries and a number of other institutions, such as public boards. By 1965,²¹ massive centralization of administrative authority, and the politicization of the public sector.²²

The post-Nkrumah government reforms (which were not donor-driven), undertaken through the recommendations of commissions and committees of enquiry, taken together focused on five key issues. First, the restructuring of ministerial organizations to concentrate on sector policy planning, coordination, and monitoring and evaluation functions of government and to divest them of implementation activities – an issue taken up in the report of the Public Administration Review and Decentralization Implementation Committee (PARDIC) in 1982 under the Provisional National Defence Council (PNDC). Second, responsibilities for the implementation of government approved programmes to be given to decentralized implementation agencies reporting to the political heads of the regional organizations. Third, is the creation of the post of Head of the Civil Service (HCS) and an appointment to it made from among the regular civil service, and that it should remain a career post for civil servants; that the HCS should at all times have direct access to the Head of State and report to him on civil service matters. Fourth, that the position of Principal Secretary should no longer be the preserve of members of the administrative class, and

¹² N.T. Clerk, “Bureaucracy and the One Party State: Politics and Administrative Transformation in Ghana”, Unpublished PhD Thesis, Department of Public Administration, University of Southern California, 1972.

¹³ J. Nti, “Ghana’s Experience in Administrative Reform of the Central Bureaucracy”, in A.H. Rweyemamu, and G. Hyden (eds.) *A Decade of Public Administration in Africa*. Nairobi: East African Literature Bureau, 1975, pp. 170.

¹⁴ C.H. Muwanga-Barlow, “The Development of Administrative Sciences in English-speaking Africa”. *International Review of Administrative Sciences*, 44, 1, 1978, p. 100.

¹⁵ In 1959 Nkrumah purged the senior public service by dismissing several key persons, including Dr. Robert Gardiner, the head of the Establishment Secretariat. The 1960 Republican Constitution empowered the president to appoint top civil servants to a number of key posts that did not exist in the independent constitution of 1957. See J.R.A. Ayee, “Public Sector Manpower Development during the Nkrumah Period, 1951-1966”, in K. Arhin (ed.) *The Life and Work of Kwame Nkrumah*. Accra: Sedco Press, 1991.

¹⁶ J.R.A. Ayee, “Civil Service Reform in Ghana: A Case Study of Contemporary Reform Problems in Africa”, *African Journal of Political Science*, 6(1), 2001: 1-41.

¹⁷ D.M. Akinnusi, “Personnel Management in Africa: A Comparative Analysis of Ghana, Kenya, and Nigeria”, in Brewster, C. and Tyson, S. (eds.) *International Comparisons in Human Resource Management*, London: Pitman, 1991, pp. 164.

¹⁸ J.R.A. Ayee, “Public Sector Manpower Development during the Nkrumah Period, 1951-1966”, in K. Arhin (ed.) *The Life and Work of Kwame Nkrumah*. Accra: Sedco Press, 1991, p. 291.

¹⁹ J. Nti, “Ghana’s Experience in Administrative Reform of the Central Bureaucracy”, in A.H. Rweyemamu, and G. Hyden (eds.) *A Decade of Public Administration in Africa*. Nairobi: East African Literature Bureau, 1975, p. 170; C.H. Muwanga-Barlow, “The Development of Administrative Sciences in English-speaking Africa”. *International Review of Administrative Sciences*, 44, 1, 1978, p. 100.

²⁰ J. Kraus, “Political change, conflict, and development”, in P. Foster & A. R. Zolberg (eds.) *Ghana and the Ivory Coast: Perspectives on Modernisation*. Chicago: The University of Chicago Press, 1971; and E. N. Omaboe, “The Process of Planning”, in W. Birmingham, I. Neustadt, & E. N. Omaboe (eds.) *A Study of Contemporary Ghana*, Vol. 1, The Economy of Ghana Evanston: Northwestern University, 1966, pp. 439-463.

²¹ E.J. Berg, “Structural Transformation vs. Gradualism: Recent Economic Development in Ghana and Ivory Coast”, in P. Foster & A. R. Zolberg (eds.) *Ghana and the Ivory Coast: Perspectives on Modernization*. Chicago: The University of Chicago Press, 1971, pp. 187-230.

²² D. Rimmer, *Staying poor: Ghana’s Political Economy 1950-1990*, Oxford: Pergamon, 1993.

should be opened to all civil servants and to persons outside the civil service. Fifth, the PSC continued to administer the merit system by organizing the public services examination and overall recruitment while the Office of the Head of the Civil Service (OHCS) became the main human resource manager of the civil service.²³

The structural adjustment in public sector reforms, which were largely donor-driven, focused on three areas during the past three decades (that is, 1984 to date) to which we will return later.

This short history of the public sector shows one of centralization, politicization, and therefore little professionalism, ineffectiveness and inefficiency, inadequate supervision, coordination, and reform. Most of these features have become part of the public sector and, have consequently, influenced the burning or recurring issues of the sector and thereby compounded its complexity.

3. The Composition, Size, and Different Nomenclatures of Organizations in the Public Sector

3.1 Composition of the Public Sector

The composition of the public sector in Ghana is vast, complex, and diverse. It consists of the four categories of public services listed under Chapter 14 (Article 190 Section 1a-d) of the 1992 Constitution and the Public Services Commission Act, 1994 (Box 1) as well as commercial state-owned enterprises (SOEs) and regulatory organizations, including 25 companies limited by liability guarantee, 9 statutory corporations, 25 joint ventures, 15 companies with government carried interest and 10 subvented agencies (Table 1). The public sector represents a group of organizations and institutions, which justify their activities through a common reliance on the power of the state; and a political belief which accords greater merit to

collective over individual action.²⁴ It has been pointed out that the public sector “altogether constitute a very important component of governance of this nation and of the architecture of the 1992 Constitution”.²⁵

The Constitution has created a vast and diverse public sector. Meanwhile, there is no centralized or coordinating institution in the public sector to effectively harmonize and monitor the organizations. The 1992 Constitution created the Public Services Commission (PSC) as the main HR institution in the public service, to supervise and regulate entrance and promotion examination, recruit and appoint into or promote within the public services, and establish standards and guidelines on the terms and conditions of employment in the public service.²⁶ Unfortunately, the PSC continues to be undermined by government. For example, government continues to enact separate legislation for different institutions, as well as creating new ones: which, in a sense, makes these institutions autonomous to the PSC. Institutional oversight has, in turn, been fragmented.²⁷ Examples include the Public Services Commission (PSC), Ministry of Finance, Fair Wages and Salaries Commission, State Enterprises Commission (SEC), Labour Commission, Media Commission, National Development Planning Commission, governing boards or councils, and sector ministries.

Fragmentation and the creation of multiple regulatory institutions have created mandate conflicts and overlaps. For instance, biosecurity is not the responsibility of one agency of state; it involves several ministries, departments, and agencies (MDAs). The regulatory framework for biosecurity is multi-sectoral in nature, but with no overall coordinating body. As a result, the regime is bedeviled with overlaps, gaps, and conflicts between the regulatory agencies. The Ghana Standards Authority (GSA), like the Foods and Drugs Board (FDB) has statutory functions in the area of sale, manufacture, exportation, and importation of foods. It is these provisions, which have become a source of overlap/conflict between the GSA and

²³ See Republic of Ghana, *Report of the Commission on the Structure and Remuneration of the Public Service (Mills-Odoi Commission)*. Accra: Ghana Publishing Corporation, 1967; Republic of Ghana, *Report of the Constitutional Commission (Akufo-Addo Commission)*. Accra: Ghana Publishing Corporation, 1968; Republic of Ghana, *Commission on the Structure and Procedures of the Civil Service (Okoh Commission)*. Accra: Ghana Publishing Corporation, 1976.

²⁴ S. Haque, “The Diminishing Publicness of Public Service under the Current Mode of Governance”, *Public Administration Review*, 6(1), January-February, 2001, pp. 65-82.

²⁵ Republic of Ghana, *Report of the Constitution Review Commission*, presented to Prof. John Evans Atta Mills, President of the Republic of Ghana on 20 December, 2011, p. 268.

²⁶ See Article 194(1) of the 1992 Constitution. This provision has led to the enactment of the PSC Act, 1994 (Act 482), which provides details on the composition of the Commission, its functions, and the secretariat that supports it.

²⁷ National Development Planning Commission, *Policy Hearing Report*. Accra: NDPC, 2016.

the FDB, the latter of which was established in 1992 to control the manufacture, importation, exportation, distribution, and use and advertisement of foods, drugs, cosmetics, chemical substances, and medical devices. The challenge faced by Ghana is thus not only one of enacting legislation consistent with the prescribed international norms, but also ensuring a coordination of the regime so as to eliminate the various gaps, overlaps, and conflicts.²⁸

Independent constitutional bodies such as the Commission for Human Rights and Justice (CHRAJ), the National Commission for Civic Education (NCCE) and the Electoral Commission are also a category of the Public Services under Article 190(1)(c). The heads of these bodies are appointed by the President under Articles 70. These bodies are designed to enhance the responsiveness, transparency, and accountability of the administrative state. There are also public corporations which are not set up as commercial ventures and which form part of the Public Services of Ghana, joining bodies such as the various public universities.²⁹

All these institutions and organizations constitute the public sector and continue to compete for human resources and space; in some cases they have engaged in turf wars. Coordination, a key instrument in public administration, is non-existent. Some public servants are therefore confused about where to go and from whom to accept instructions. The picture which emerges is that of a multiplicity of voices. Each of these institutions has its own set of enabling legislation and responsibilities. In some instances, there are mandate overlaps and turf wars. For instance, in its effort to do its work, the PSC is perceived by some of the public services as interfering in their operations. Notwithstanding the creation of the PSC, the same constitution has also created 14 services to perform diverse function thereby underscoring the complexity of the public service and public sector; they also have their own governing boards or councils and sector ministries. Furthermore, Article 190 of the 1992 Constitution stipulates that the public services include public corporations or state-owned enterprises (SOEs) other than those set

up as commercial ventures. In other words, there are some public corporations which are not part of the public service because they are profit-making ones even though government owns 100% equity shares in them. They have their own conditions of service, board of directors, and sector ministries (Table 1). This has created more fragmentation and a lack of coordination in the public sector. In short, there is little coordination of policy – because each service or enterprise pulls in a different direction and the impact of this disintegration of the public service or public sector – and policy coordination – is evident in the decline in growth and overall quality of government effectiveness and public administration, especially in the areas of service delivery and productivity.³⁰

In the mid-1980s, there were 300 state owned enterprises (SOEs) (including joint ventures). However, currently the state-owned enterprises sector consists of eighty-six (86) entities operating in six sectors of the economy, namely, energy-utilities, communications, agriculture, financial, infrastructure, and manufacturing (Box 2). Out of the 86 SOEs, 45 are wholly owned and 41 joint venture companies (JVCs). Eight of them are publicly traded companies. Of the 45 SOEs, 35 are classified as commercial SOEs and the remaining 10 are subvented agencies. Twenty-six out of the commercial SOEs are Limited Liability Companies (LLCs) and operate under the Companies Code. The remaining 10 commercial SOEs are Statutory Corporations established by Acts of Parliament. The 41 JVCs include 10 mining companies in each of which the Government of Ghana has up to 10 percent carried interest.³¹

The SOEs have been placed under the State Enterprises Secretariat (SEC), which was established in 1987 under PNDC Law 170, to fill the role of a central agency with oversight responsibility for Government's interests in SOEs. The broad mandate of the SEC was to promote efficient and profitable operation of SOEs, utilising the tools of corporate planning, performance contracting, and monitoring and evaluation. One of the major complaints is that multiple institutions including the Ministry of Finance, the State Enterprises Commission

²⁸ Republic of Ghana, *Report of the Constitution Review Commission, presented to Prof. John Evans Atta Mills, President of the Republic of Ghana on 20 December, 2011*, p. 272.

²⁹ See D. Armah-Attah, "The Quality of Public Services: An Intrinsic Factor in Ghanaian Evaluations of Government Performance." *AfroBarometer Policy Paper No. 21: 2015* 1–13; and *AfroBarometer Round 6 Report. Assessment of Public Service Delivery in Ghana (2014-2016)*.

³⁰ Republic of Ghana, *2017 State Ownership Report, Accra: Ministry of Finance*.

³¹ Republic of Ghana, *SOE Annual Aggregate Report. Accra: Ministry of Finance, 2016*.

(SEC) and sector Ministries manage government's ownership interests in these SOEs. This fragmentation in the state's ownership structure coupled with the absence of a clearly defined ownership framework have limited government's ability to effectively manage its equity investments, thereby leading to the inefficiencies and poor performance of many SOEs.³²

It is instructive to note that about 95% of the SOEs under the SEC³³ have not been migrated to the Single Spine Pay Policy (SSPP) largely because of their instruments of incorporation and ability to generate internal funds and make a profit. They cannot migrate because their salaries and allowances are way above the SSPP and therefore migrating them will disadvantage the workers which will be contrary to the Labour Act of 2003. Some of the chief executive officers of these SOEs are said to earn more than even the President of the Republic,³⁴ with some earning as much as GHS45,000 (USD11,000) per month with competitive fringe benefits.³⁵ This trend has not only decimated, or fragmented, the public sector but created more distortions and disparities which the SSPP sought to address.

Other state institutions have not been placed under the SEC.³³ For instance, the Social Security and National Insurance Trust (SSNIT) - a statutory public trust charged under the National Pensions Act, 2008, Act 766 with the administration of the country's basic national social security pension scheme - has its own board of trustees, made up of representation from government, employers, and workers. The members of the board of trustees are appointed by the President in accordance with Article 70 of the Constitution. The Ministry of Finance serves as its sector ministry. In August 2017, the IT director was dismissed for an alleged fake PhD certificate which he used to secure

employment resulting in a negative perception of the PSC for not undertaking due diligence. This was, however, later found to be inaccurate as the PSC did not participate in the recruitment exercise because SSNIT is not a public service.

3.2 Size of the Public Sector

The size of the public sector has always been a contentious issue. Some argue that the size is bloated resulting in inefficiency and high personal emoluments element of the budget. The Reforms carried out in the late 1980s and 1990s were meant to reduce the size of the public sector through employee retrenchment with severance packages and retraining in spite of protests from the labour unions especially the Trade Union Congress (TUC). Notwithstanding the measures to reduce the size of the public sector, it is still considered high and has been cited as one of the contributory factors to the increased wage bill. The public sector is still the primary provider of wage employment in Ghana. Between 2009 and 2014, public sector employment grew by about 23 percent,³⁶ whilst the total population grew by about 13 percent (Table 2). Although formal sector wage employment only represents about 12 percent of total employment in Ghana, public sector employment accounts for approximately 6 percent of total employment, rising to about 9 percent in urban areas.³⁷ Public employment grew at a faster rate than the growth in population, and across the board in all areas. This notwithstanding, total public employment is still estimated to be about 2 percentage points lower than in other similar developing countries.³⁸

The contentious nature of the size of the public sector seems to have been reinforced in 2017, when the

³² The SEC itself has migrated onto the SSPP.

³³ The president's salary is ₵12,000 per month, with amount ranging from ₵6,000 to ₵9,000 per month paid to Ministers of State others who doubled as Members of Parliament. See "New salaries for President, others are fair- Nana Ato Dadzie". Retrieved May 9, 2016 at <http://www.ghanadistricts.com/news/?read=47604&sports>

³⁴ Field notes on Political Economy of Pay Reforms in Ghana, 2016

³⁵ The largest percentage increases were in the priority social sectors linked to the attainment of the MDGs; since the implementation of SSSS in 2010, 94,000 public employees were added to the payroll, with the largest percentage increase (35 percent) being in the priority social sectors (25 percent in health and 19 percent in education.). The GES added 48,000 extra staff - mainly teachers - followed by the health care system (18,000). The expanding payroll, therefore, was not simply a function of hiring staff in priority social sectors to meet the needs of a growing population; whilst these new hirings contributed to the expansion of the wage bill, Ghana remains on the lower bound in terms of number of teachers and physicians per capita, compared with other middle-income economies.

³⁶ A. Guelfi, "Public Sector Employment in Ghana: A Note", Washington, D.C., The World Bank Group, Poverty Global Practice, 2015.

³⁷ International Monetary Fund, *Case Studies on Managing Government Compensation and Employment – Institutions, Policies and Reform Challenges*. Washington, DC: IMF, 2016.

³⁸ Senior Minister Yaw Osafo-Mafo speaking at the Ghana Economic Forum on August 2017. Mr. Mafo's remark seems to be in sharp contrast to declarations by the governing New Patriotic Party (NPP) when they were in opposition. The NPP heavily criticized the then Mahama government for freezing recruitment into the public sector and accusing them of covering up with the 3-year IMF agreement. See *We can't employ more public sector workers – Osafo Mafo* (available at: <http://citifmonline.com/2017/08/07/we-cant-employ-more-public-sector-workers-osafo-mafo/>; accessed 8th January, 2017).

³⁹ J.J. Rawlings, "Rawlings Calls for an Independent and Professional Civil Service", speech delivered at the Quadrennial National Delegates Congress of the Civil and Local Government Staff Association (CLOGSAG) in Cape Coast on Wednesday, January 12, 2011 (available at <https://jjrawlings.wordpress.com> accessed 25 December, 2017).

Table 2: Public Sector Growth/Population Growth

	2009	2014	% change
Wage bill (GH¢ million)	2,447.9	9,497.3	288%
Education	1,181.0	4,988.8	322%
Health	398.9	1,503.8	277%
Others	868.0	3,004.7	246%
Public sector employment (000s)	403	497	23%
Education	254	302	19%
Health	72	90	25%
Others	78	106	35%
Population (000s)	23,107.91	26,216.11	13%

NOTE: Staff strength breakdown is for Staff strength on Mechanised Payroll

Source: Ghana Ministry of Finance/World Bank 2015

GHS3.40 = USD1 as at 2015

current Senior Minister, pointed out that the public sector is “full in terms of employment [and] we can’t employ anybody in the public sector.... perhaps we may have to even lay some [workers] off.”³⁹

3.3 Different Nomenclatures of Public Sector Organizations

The complexity of the composition and size of the public sector is compounded by the fact that there are different nomenclatures for the various organizations with different conditions of service even though some of them are in the same sector. While some of them are called service (e.g., Ghana Health Service; Parliamentary Service); agency (e.g., Environmental Protection Agency; Internal Audit Agency); authority (e.g., Ghana Revenue Authority; National Petroleum Authority); office (e.g., Presidential Office; Office of Administrator of Stool Lands) others are referred to as board (e.g., National Accreditation Board; Ghana Cocoa Board); council (National Council on Tertiary Education; Medical and Dental Council); commission (e.g. Public Services Commission; Electoral Commission); scheme (e.g., Legal Aid Scheme, Ghana National Service Scheme); centre (eg., Ghana Investment Promotion Centre and Centre for National Culture); and trust (eg., Social Security and National Insurance Trust).

Even though these nomenclatures depend on the legal instruments that set up the organizations and their functions, they create a perception of superiority and rivalry among the organizations and a feeling of being more important than others as far as service delivery is concerned. The names of some of them were changed as if they were upgraded even though there was no marked difference in their mandates as regulators. For instance, the Environment Protection Agency (EPA) was originally called the Environmental Protection Council (EPC) while the Ghana Standards Authority (GSA) used to be called Ghana Standards Board (GSB).

4. The Political Context in which Public Servants Operate

Public servants, no doubt, operate in a political context given that they are bound by policies, rules, and regulations and paid out of public funds. As employees of the public, they work under the direction of politicians. The relationship between public servants and politicians has been described as ambiguous and complex. This ambiguity and complexity has been underscored by former President Rawlings. According to him:

³⁹ E. Gyimah-Boadi and T. Yakah, “Ghana: The Limits of External Democracy Assistance”. UNU-WIDER Working Paper No. 2012/40. Helsinki: United Nations World Institute for Development Economics Research, 2012.

*What is more complex is how the civil servant is expected to accommodate the changes created by regular movements in political leadership... There is no doubt a natural conflict of interest, created particularly in our local setting where divergent opinion is seen as anti-government. Compliance with the policies of a particular government or politician also creates a delicate situation for most civil servants, particularly the senior ones as such work ethic is misconstrued as allegiance to a particular political grouping. Ironically the civil servant is expected to show unfettered allegiance to all governments. The existing bureaucracy within the civil service structure is also perceived as deliberate delay tactics and frowned upon by politicians.*⁴⁰

Every transition of power in Ghana's highly competitive electoral environment is accompanied by wholesale removal of public servants perceived to be associated with the previous regime. The effectiveness of Ghana's public bureaucracy is undermined by politicization and persistent "clientelization of the democratic politics, in that most senior public sector bureaucrats" are typically appointed by presidential fiat, largely on the basis of partisan political criteria rather than merit.⁴¹

Indeed, one of the first acts of successive governments has been to dissolve the boards of state-controlled enterprises so as to appoint their own loyalists to those positions.⁴² Extreme partisanship in public appointments has been an enduring feature of competitive clientelism in Ghana, as members of the two dominant parties see the control of the state as the most lucrative avenue for group and individual wealth and influence. The president and top ruling elites select and appoint persons who are aligned with the ruling political party. While the details of such exchanges remain obscure, there is broad agreement that this is usually done in order for the ruling elites

to maintain political support from individuals (and groups which those individuals may bring with them) within the ruling party.⁴³

The immediate past President has lamented over the dismissals of some public officials by the NPP government and condemned them:

*When I came to power, I left most of these public sector workers but when this government (NPP) took over, they dismissed them, and this is a bad precedent for our governance because potentially government can change in every four years so if another government takes over, it means all those working in the public sector have to be dismissed for a new crop of employees to take over and this is bad for governance.*⁴⁴

The passage of the Presidential (Transition) Act, Act 845 of 2012, which was amended in October 2016 as a legal blue print to govern the transition of political power in the country has either been misinterpreted, misapplied, or not followed thereby fueling the politicization of public service appointments.

The politicization of the public service may also be explained by the active participation of some high profile public servants in partisan politics contrary to the 1992 Constitution and other legal documents,⁴⁵ which bar them from engaging in partisan politics. Some of them either actively campaigned for political parties or stood for primaries without resigning their positions thus compromising their positions as public administrators and giving the public service a negative image and reputation. Sometimes depending on who was in power, they were either asked or forced to resign before they contested the elections.⁴⁶

Central to understanding Ghana's limited success in improving the effectiveness of public institutions

⁴⁰ These appointments are also known as protocol appointments and has been criticized as one of the sources of corruption in the public sector by the Commission on Human Rights and Administrative Justice (CHRA) in its December 2017 celebration of World Anti-Corruption Day.

⁴¹ M. Hirvi and L. Whitfield, "Public Service Provision in Clientelist political settlements: Lessons from Ghana's urban water sector". *Development Policy Review* 33(2), 2015, pp. 135-58

⁴² J. Mahama, Former president Mahama speaking at a rally at Ashaiman to mark the silvery anniversary celebration in the Greater Accra Region on Saturday, 10th June, 2017. *Daily Guide*, Monday, June 12, 2017: 9.

⁴³ Republic of Ghana, *Civil Service Law (PNDC Law 327)*. Accra: Ghana Publishing Corporation, 1993.

⁴⁴ Ghana; Republic of Ghana, *Public Services Commission Act (Act 482)*. Accra: Ghana Publishing Corporation, 1994.

⁴⁵ J.R.A. Aye, "Public Administrators under Democratic Governance in Ghana", *International Journal of Public Administration*, 36, 2013: 440-452.

⁴⁶ L. Pritchett, K. Sen and E. Werker (eds.) *Deals and Development: The Political Dynamics of Growth Episodes*. Oxford: Oxford University Press, 2018, Chapter 1.

is political settlement. According to Pritchett et.al.⁴⁷ political settlement refers to the balance of power between social groups and/or classes. In other words, the ideas and beliefs of the political elite will shape the policy actions that are undertaken in any given country. Some scholars also refer to political settlement in Ghana under the Fourth Republic as “competitive clientelism”.⁴⁸ Even though Ghana has made significant gains in the practice of multi-party democratic governance, multiparty democracy has at the same time generated competitive clientelist tendencies between the duopolistic National Democratic Congress (NDC) and New Patriotic Party (NPP) - the two major parties in Ghana of equal strength and have been in and out of government since 1993. The need to build political support and win elections has created a variety of incentives among ruling elites of the NDC and NPP. Building political legitimacy and regime stability simultaneously involved strategies to redistribute resources to members of the government, party members,⁴⁹ and influential leaders in society, while weakening the political and economic bases of real or perceived members of the political opposition, a trend described as the winner-takes-all.⁵⁰

The implications of competitive clientelism for Ghana’s development prospects have been well discussed in the literature,⁵¹ two opinions are of interest in this paper. First, as politicians have increasingly been vulnerable when in power, the policy actions of ruling elites tend to be geared towards distributional initiatives, designed to deliver resources and economic opportunities to patrons and clients of the ruling government, as well as to deliver visible goods and services to as much of the population as possible. This has been the direct result of the short-term election cycle, whereby only

initiatives with potential short-term political gains get prioritized, as with the distribution of visible project spending and patronage. Of particular interest is that governments have not been strongly committed to pursue public sector reforms that undermine the ability of ruling elites to distribute power and resources to political patrons and clients. Across the two ruling parties, discontinuities in public sector reform (PSR) are a norm, undermining the impact of reform initiatives that require a longer-time horizon to bear fruit – a view shared by the 2017 national public sector reform strategy document.⁵²

There is a lack of continuity in the implementation of the reforms as a result of changes in government and leadership in the reform entities. Every regime change is followed by the abandonment of existing administrative reform and the initiating of new reform agendas, which should normally not be the case. There is little or no political will or commitment to implement reform. Ghana has accumulated various reform measures introduced by previous governments/regimes, therefore “a new administrative reform” at one point is often a mix of contrasting and overlapping reform perspectives introduced during different regimes throughout the years. Most of these regimes became so preoccupied with their own survival or the legitimization of their regimes that they could not create or develop the conditions for the critical junctures to provoke the feedback mechanism necessary to enable them to develop a pattern of reforms for the future.

Reform discontinuity has remained true of institutional changes since Ghana adopted its fourth republican constitution in 1993. For instance, the National

47 See D. Appiah and A-G. Abdulai, *Competitive clientelism and the politics of core public sector reform in Ghana*. ESID Working Paper No. 82. Manchester, UK: The University of Manchester, 2017; F. Oduro, A. Mohammed and M.A. Ashon. “A Dynamic Mapping of the Political Settlement in Ghana”, ESID Working Paper No. 28, Manchester: Effective States and Inclusive Development Research Centre, The University of Manchester, 2014; M. Hirvi and L. Whitfield, “Public Service Provision in Clientelist political settlements: Lessons from Ghana’s urban water sector”. *Development Policy Review* 33(2), 2015, pp. 135-58; L. Whitfield, L., O. Therkildsen, L. Buur, L. and A.M. Kjør, *The Politics of African Industrial Policy: A Comparative Perspective*. Cambridge: Cambridge University Press, 2015; A. Abdulai and S. Hickey, ‘The Politics of Development under Competitive Clientelism: Insights from Ghana’s Education Sector’. *African Affairs*, 115/458, 2016: 44-72.

48 Some of the party members have turned themselves into armed vigilante groups seizing state facilities such as toll booths and public toilets normally witnessed after a change of power from NDC to the NPP and vice-versa. These incidents escalated to assaults on police personnel and state institutions and reached a zenith of lawlessness when NPP members sparked chaos in a court of law in September 2017, and freed their compatriots, standing trial for raiding the Ashanti Regional Security Council and assaulting the Ashanti Regional Security Coordinator. from those operating these facilities who do not belong to their party. They were, however, fined by the court instead of a custodial sentence. These acts of lawlessness are seemingly fueled by a sense of entitlement or frustration informed by precedent and promises made to politicians to them ahead of the elections. See “18 Incidents of Vigilante Violence Recorded since NPP’s victory”, October 26, 2017 available at citifmonline.com

49 D.K. Oporu, *The Politics of Government-Business Relations in Ghana, 1982–2008*. New York: Palgrave Macmillan, 2010; and K. Idun-Arkhurst, K. (2012). “Woyomegate”: The last stage of competitive clientelism? Feature article available at: <http://opinion.myjoyonline.com/pages/feature/201203/82523.php> (accessed 25 December 2017).

50 F. Oduro, A. Mohammed and M.A. Ashon, “A Dynamic Mapping of the Political Settlement in Ghana”, ESID Working Paper No. 28, Manchester: Effective States and Inclusive Development Research Centre, The University of Manchester, 2014; Robert Darko Osei, Charles Ackah, George Domfe, and Michael Danquah “Political Settlements and Structural Change Why Growth Has Not Been Transformational in Ghana” in L. Pritchett, K. Sen and E. Werker (eds.) *Deals and Development: The Political Dynamics of Growth Episodes*. Oxford: Oxford University Press, 2018, Chapter 6, pp. 159-182.

51 Republic of Ghana, *National Public Sector Reform Strategy, 2018-2023*. Accra: Office of the Senior Minister, September 2017.

52 Republic of Ghana, *National Public Sector Reform Strategy, 2018-2023*. Accra: Office of the Senior Minister.

Democratic Congress (NDC) government developed the National Institutional Renewal Programme (NIRP) in the mid-1990s as the institutional home for reforms. Unfortunately, once the NDC was out of power in 2000, the New Patriotic Party (NPP) government did not see the need to allow the NIRP to continue, but rather abolished it, and created the Ministry of Public Sector Reform (MPSR). The NDC government under President Mills also followed suit by dismantling the MPSR because it associated the MPSR with the NPP government. The reforms have become an instrument that political leaders use to further their political goals and tighten control over the state machine. It has therefore become an exercise in self-legitimization. The NPP in 2017 also replaced a National Public Sector Reform Strategy, 2017-2027 document designed by the NDC with its National Public Sector Reform Strategy, 2018-2023 on the theme, “Delivering for Citizens and the Private Sector”. The reason given for the replacement of the NDC document on public sector reform strategy is that “the new direction of the NPP government is to make the public sector not only effectively and efficiently responsive to the citizens, but also to the private sector. The thrust is to stabilize the economy and place it on the path to strong, diversified, and resilient growth to attain upper middle-income status”.⁵³ The duration of the new reform strategy is also shortened from 2027 to 2023.

The discontinuity in reform initiatives and programmes is contrary to the 1992 Constitution, which stipulates that “as far as practicable, a government shall continue and execute projects and programmes commended by the previous Government”.⁵⁴ Political settlement has effectively undermined the capacity of the state to have a central agency for policy coordination. Accordingly,

While international development agencies have shown interests in helping Ghana to strengthen state coordination of development, there is a

*lack of coordination among donors themselves in providing appropriate technical and financial supports. Donor competition contributes to the lack of government commitment to sustaining coordination reforms implemented by past governments. Public sector reforms in Ghana have been implemented as ‘ring-fenced’ donor projects in ministries, departments and agencies that largely operate as silos lacking effective coordination.*⁵⁵

Democratic politics geared to a four-year electoral cycle has resulted in short time horizons. This places premium on visible, quick-fix action (new roads, clinics, etc.) as against longer term, slower-acting structural reforms such as a public-sector reform exercise. This political environment makes any meaningful reforms difficult.

5. Recruitment: Professionalism versus Politicization

Recruitment into the public sector is the most burning issue over the past sixty years. There is evidence of professionalism, judging by the existence of the policy and institutional framework, calibre of human resource recruited, and training programmes mounted. Notwithstanding this progress, professionalism has largely been sacrificed for politicization especially with succeeding governments resorting to protocol or transition appointments and dismissals. The politicization has been traced to the Nkrumah period under which some public servants were either appointed based on party affiliation or dismissed because they failed to do the bidding of the government.⁵⁶ Similarly, in 1970, the Progress Party government of Kofi Busia summarily dismissed 568 public servants (often referred to as victims of “Apollo 568”) without reason, pursuant of Section 9 (1) of the Transitional Provisions under the 1969 Constitution.

⁵³ Republic of Ghana, *Constitution of the Republic of Ghana, 1992*. Accra: Assembly Press, 1992, Section 35(7).

⁵⁴ D. Appiah and A-G. Abdulai, *Competitive clientelism and the politics of core public sector reform in Ghana*. ESID Working Paper No. 82. Manchester, UK: The University of Manchester, 2017, p. 14.

⁵⁵ Benjamin Amonoo, *Ghana, 1957-1966: The Politics of Institutional Dualism*. London: Allen and Unwin, 1981.

⁵⁶ Mr E.K. Sallah, then a GNTC Manager who was also a victim of “Apollo 568” challenged the legality of his dismissal through to the Supreme Court. The Supreme Court by a majority decision ruled against the Busia government. But to the surprise and disappointment of many, particularly, those who believed in democracy, rule of law and respect for the judiciary, Prime Minister Kofi Busia in a highly emotional radio and television broadcast on the night of April 20, 1970 attacked the judgment of the Supreme Court, boasted and emphatically stated that, “No court could enforce any decision that sought to compel the government to employ or redeploy anyone”. See Naomi Chazan, *An Anatomy of Ghanaian Politics: Managing Political Recession, 1979-1982*. Boulder, CO.: Westview, 1983.

It is believed that the dismissed public servants were suspected not to be sympathizers of the government and therefore not “politically correct”.⁵⁷ Further politicization of the public sector has happened under the Fourth Republic with the appointment of non-career technical advisors, special advisors, and special assistants, whose conditions of service are better than career public servants. There has been conflict and tension between the career and non-career public servants over their roles, a trend condemned by the Civil and Local Government Staff Association of Ghana (CLOGSAG).

Two factors explain the trend of politicization of recruitment into the public sector in Ghana especially under the Fourth Republic. They are (i) the extensive appointing power of the President under the 1992 Constitution; and (ii) multiple policy framework and the political context within which public servants operate.

5.1 The extensive appointing power of the President under the 1992 Constitution

The President appoints everybody in the public sector including the heads of the organizations, chairmen and members of governing boards of public corporations or state-owned enterprises (SOEs) except persons who hold office in a body of higher education, research or professional training, who are appointed by the governing council or body of that institution. The reason why the constitution gives the president such enormous powers is that he or she is held accountable by the action of public officials; hence, he should have the powers to determine who is appointed.

Sometimes, such appointments are made in consultation with or with the advice or approval of some other bodies such as the Council of State, Parliament, Judicial Council, and the Public Services Commission. The problem is that there is lack of checks and balances, which has come about as a result of the various constitutional provisions, which have not been amended to reflect the reality on the ground. There has been persistent failure on the part of Presidents in the Fourth Republic to seek advice or approval from bodies before making such appointments. As a result, the

Ghana Bar Association and a broadcast journalist filed separate suits at the Supreme Court (SC) in 2016 on the appointment of justices of the Supreme Court, and chairman and members of the Electoral Commission.

However, the SC dismissed the suits challenging the methods adopted by the President in appointing justices of the Supreme Court and the Chairperson of the Electoral Commission (EC). In a unanimous decision the seven-member panel held that the President was not bound by the advice of bodies such as the Judicial Council and the Council of State. The panel, however, asserted that the President was mandated to seek such advice before making the appointments. In the view of the Court, “The President must at all cost have this advice and if he does not have this advice, the appointment is not valid,” In the case of appointment of justices of the SC, the Court held that “If the Judicial Council recommends a particular person and the President does not feel obliged to appoint that person, there is no obligation on the President to have that person appointed. The only thing is that the President can also not go outside the names or list of persons recommended to him by the body.”⁵⁸ It was the view of the SC that although the President was the appointing authority, there were checks and balances, as the recommendation of justices for the Supreme Court was done by the Judicial Council, while Parliament held the veto of either approving or rejecting such appointments. Therefore, “the involvement of the Judicial Council, the Council of State, and Parliament is meant to be a restraint on the appointing power of the President”.⁵⁹

This decision seems contradictory and confusing especially when the Presidents may, in fact, not have been doing the proper thing required in such appointments. The SC decision thus strengthens the hand of the President not to do the right thing in such appointments. A fall-out from the President’s extensive power of appointments is the politicization of state institutions through patronage appointments, with significant adverse implications for the capacity of the state bureaucracy. The environment in which the public sector operates in Ghana is highly contentious politically. Any government action in the sector is

⁵⁷ Emmanuel Ebo Hawkson “Prez never erred in appointing justices of Supreme Court, EC boss”, 21 July 2016 (available at <https://www.graphic.com.gh/news/politics/prez-never-erred-in-appointing-justices-of-supreme-court-ec-boss.html> accessed 3 January, 2018).

⁵⁸ Emmanuel Ebo Hawkson “Prez never erred in appointing justices of Supreme Court, EC boss”, 21 July 2016 (available at <https://www.graphic.com.gh/news/politics/prez-never-erred-in-appointing-justices-of-supreme-court-ec-boss.html> accessed 3 January, 2018).

⁵⁹ See J.D. Mahama, “Address Delivered by President John Mahama to Seven Ministers, Who Were Approved by Parliament on Tuesday, January 29, 2013

interpreted as politically motivated, thus fueling the perception of politicizing the sector.

5.2 The Multiple Policy Recruitment Framework

The policy framework for recruitment is multiple and sometimes confusing, inconsistent, and contradictory. It consists of the following:

- i) 1992 Constitution of the Republic of Ghana
- ii) Human Resource Management Policy Framework and Manual for the Ghana Public Services designed by the Public Services Commission in 2015
- iii) Civil Service Law, PNDC Law 327, 1993;
- iv) Local Government Service Act, 2003 (Act 656)
- v) Labour Act, 2003 (Act 651)
- vi) Labour Regulations, 2003 (L.I. 1833)
- vii) National Labour Commission Regulations, 2006 (L.I. 1822)
- viii) Performance Management Policy Framework for the Public Services of Ghana, 2011
- ix) Public Services Commission Act, 1994 (Act 482)
- x) State Enterprise Commission Law, 1987(PNDCL 170)
- xi) Presidential Office Act, 1993 (Act 463)
- xii) Presidential (Transition) Act, 2012 (Act 845)
- xiii) The Acts or legal instruments creating the organizations in the public sector
- xiv) Conditions of service of the various organizations in the public sector

Even though the policy framework is meant to promote meritocracy and professionalism, it has, however, been abused by those who enforce it, leading to the appointment of some officials not necessarily on merit but rather on political considerations, which has adversely affected the organizations involved in terms of stability, continuity, policy direction, and performance. In addition, there are instances of inconsistencies, contradictions, and controversies surrounding the policy framework. For instance, there are cases of disparities in the conditions of services among the public sector organizations.

There seems, however, to be the willingness of some organizations in the public sector to adopt the human resource policies of the PSC but the trend seems slow and uncoordinated.

6. Service Delivery

As already pointed out, the complexity of the public sector is also due to the multiplicity of services it provides to citizens. Even though the services are very important to socio-economic development, delivery leaves much to be desired, thereby attracting largely negative comments from stakeholders.

Complaints from succeeding presidents,⁶⁰ citizens on lack of customer orientation and satisfaction, the private sector⁶¹ as well as surveys by think tanks⁶² have shown that service delivery by the public sector is unsatisfactory. For instance, in his address after swearing in the first batch of ministers at the end of January 2013, President Mahama cautioned the ministers that:

It can't be business as usual. We must learn to think outside the box and see how things can be done more efficiently than they've been done in the past. You must not follow the usual ways of carrying out your duties with the pretext 'That is how we have always done it' but rather be challenged that you can do it better and more efficiently in the interest of the people of Ghana.... The bureaucracy has taken an adverse effect on delivery and so you must be able to cut down on the unnecessary bureaucracy but still do it within the framework of the law and the regulations.⁶³

Similarly, the current President, Nana Akufo-Addo of the NPP linked the public sector to corruption. According to him:

60 Administered the Oath of Office for Them on Wednesday, 30 January 2013 at the Castle-Osu." Daily Graphic, January 31, 2013; and Republic of Ghana 2017. "First State of the Nation Address delivered to Parliament by Nana Addo Dankwa Akufo-Addo, President of the Republic of Ghana on 21st February, 2017." Accra: Government Printer.

61 Kwaku Bedu-Addo, former CEO of Stanchart, Ghana Ltd. "Level of inefficiency at Ghana's public sector shocking - Stanchart CEO Ghana | Myjoyonline.com | Ernest Dela Aglanu (Twitter: @delaXdela / email: dela.aglanu@myjoyonline.com)

62 See D. Armah-Attoh, "The Quality of Public Services: An Intrinsic Factor in Ghanaian Evaluations of Government Performance." Afrobarometer Policy Paper. 21, 2015: 1-13; Afrobarometer Policy Paper No. 21: 1-13; and AfroBarometer Round 6 Report. Assessment of Public Service Delivery in Ghana (2014-2016). STAR-Ghana Political Economy Analysis (2016).

63 John Mahama, "Address Delivered by President John Mahama to Seven Ministers, Who Were Approved by Parliament on Tuesday, January 29, 2013, After He Administered the Oath of Office for Them on Wednesday, 30 January 2013 at the Castle-Osu." Daily Graphic, January 31.

*Those of us in public service should acknowledge that corruption is one of the biggest concerns to the people of Ghana. It is the one subject on which a surprising number of people are willing to tolerate a waiver of due process. This is because, unfortunately, public officials are in danger of losing the confidence of the people in the fight against corruption. There is a perception that all public officials are part of a great scam to defraud the public and that they protect each other. It is in everybody's interest that the fight against corruption is transparent and has the support of the public.*⁶⁴

In fact, the Auditor General's report between 2004 and 2013 showed that Ghana lost GHS 5.84 billion to the financial malpractices by officers of the Ministries, Departments, and Agencies (MDAs).⁶⁵

In addition, ordinary citizens are dissatisfied with the quality of public service delivery. This is because the "delivery of basic administrative services is encumbered by several bureaucratic processes that unnecessarily waste their time. The heavy human transactions increase opportunities for corruption and cause delays leading to inefficiency. Citizens become frustrated due to such inefficiency which has resulted in widespread emergence of middlemen who facilitate service delivery".⁶⁶

The impression of the private sector is that the country is "still running on the paradigms from the 1950s and 1960s. Just go to any government office and undertake any transaction and [see the] shocking level of inefficiency.... Other societies have a guiding philosophy or there is a paradigm behind which private enterprise thrives and for that matter partners the public sector in developing the economy."⁶⁷ This

reinforces the view that the "central problem of the African state has been the poor and often antagonistic relation between government and the private sector. Many African leaders have seen the private sector, especially foreign capital, as a threat to their political project of gaining control of the economy and their personal prerogative of enriching themselves and their clients through the apparatus of the state".⁶⁸

In short, the current state of the public sector in Ghana may be described as unsatisfactory and unhealthy. As rightly pointed out in a government publication the public sector "is faced with a multiplicity of structural, institutional and fiduciary challenges which hinder the efficient and effective delivery of public goods and services".⁶⁹ It has also failed to "adequately facilitate private sector development resulting in poor quality, quantity and timeliness of public sector support to the private sector".⁷⁰

Criticism of the public sector especially by politicians is not new in Ghana and may be seen as one of the reasons that contributed to the "bad times" of the public service.⁷¹ For instance, as far back as the Nkrumah period (1957-1966), bureaucrats were inveighed against⁷² and were cautioned to be either "loyal to the State, painstaking and devoted to the cause of Ghana and Africa," or face dismissal "even if by so doing we suffer some temporary dislocation of the civil service".⁷³ Similarly, under the National Liberation Council (NLC), Lt. General E.K. Kotoka and Lt. General A.K. Ocran complained on different occasions that "things do not go as expected in the civil service" and the line of authority in the ministries, unlike in the army, was ill-defined and diffused and civil servants often did not know who was responsible for what.⁷⁴ On its part, the Provisional National Defence Council (PNDC), which took over power on 31 December, 1981 not only blamed the civil service for sabotaging its policies and foot-dragging but also regarded the top

64 Republic of Ghana, "First State of the Nation Address delivered to Parliament by Nana Addo Dankwa Akufo-Addo, President of the Republic of Ghana on 21st February, 2017." Accra: Government Printer, pp. 14-15.

65 National Economic Forum, 'Senchi Consensus', held from May 12 to 15, 2014.

66 Republic of Ghana, National Public Sector Reform Strategy, 2018-2023. Accra: Office of the Senior Minister, September 2018, pp. 21-22.

67 Kwaku Bedu-Addo, former CEO of Stanchart, Ghana Ltd. "Level of inefficiency at Ghana's public sector shocking - Stanchart CEO Ghana | Myjoyonline.com | Ernest Dela Aglanu (Twitter: @delaXdela / email: dela.aglanu@myjoyonline.com)

68 J. Herbst, *The Politics of Reform in Ghana, 1982-1991*. Los Angeles: University of California Press, 1993.

69 Republic of Ghana, National Public Sector Reform Strategy, 2017-2027. Accra: Government Printer, 2016: vii.

70 Republic of Ghana, National Public Sector Reform Strategy, 2018-2023. Accra: Office of the Senior Minister, September 2018, p. 21.

71 Joseph Ayee, "Civil Service Reform in Ghana: A Case Study of Contemporary Reform Problems in Africa", *African Journal of Political Science*, 6(1), 2001, pp. 1-41.

72 Kwame Nkrumah, *Broadcast to the Nation*, 8th April 1961. Accra: Information Services Department, p. 9.

73 Kwame Nkrumah, *I Speak of Freedom*. London: Heinemann, 1961, pp. 172-173; Kwame Nkrumah, *Statement for Senior Civil Servants at Winneba*, published by the Government Printer, GP/134/2,500/4/61-62, p. 7.

74 Legon Observer, 17 February, 1967; Robert Pinkney, *Ghana Under Military Rule*. London: Methuen, 1972.

echelon of the service (that is, senior bureaucrats) as “allies of imperialism and neocolonialism which should be subjected to revolutionary overthrow and not mere reforms”.⁷⁵ Consequently, in the opinion of the PNDC, the civil service should be reorganized and politicized to ensure that its “orientation tallies with the objectives of the Revolution”.⁷⁶

The impatience which succeeding governments had with the civil service especially may be attributed to the fact that the service was seen as the main vehicle for promoting socio-economic programmes, which all governments unsuccessfully tried to implement. The vagueness of some of the government policies may help explain why governments complained of bureaucratic sabotage and tardiness in the implementation of public policies and programmes. The governments themselves failed to clearly spell out what their policies were, and civil servants had to spend much time in deciding which policies appeared to be the most suitable. Even when the aims of the policies were clear, the difficulties in achieving them were not always understood by the governments.⁷⁷

The negative effects of service delivery on the economy has been the subject of discussion in two government publications, which bemoaned the development as it affects performance and productivity.⁷⁸ For instance, the Senchi National Economic Forum of 2014 expressed dissatisfaction that civil and public servants display a lackadaisical attitude toward the work they do. In the words of former President, John Kufuor, “we are pretending to pay workers while they pretend to be working”.⁷⁹

The country is unable to sustain growth as evident in the GDP figures (Table 3) even though the 2017 GDP growth rate of 8.5% is regarded as a “major rebound from the anemic rate of 3.7% in 2016”.⁸⁰ This growth deficit has been partly attributed to an ineffective public sector.⁸¹ This is because the “performance of the public sector has deteriorated in recent years. It is also self-serving and therefore not pursuing national and public interest”.⁸² In short, state or government incapacity or ineffectiveness largely explains the different patterns of growth in the last 60 years in Ghana. It has also led to a loss of public trust and confidence by the citizens in the public sector as it has not been able to deliver on its mandates effectively and efficiently.

7. Reform

Reforms in the public sector continue to preoccupy governments all over the world because of the compelling need to “get the state right” through better policy development and implementation. This is largely seen by developing countries like Ghana as the path to a developmental state.⁸³

Since the late 1960s, Ghana has been preoccupied with the search for efficient, effective, and accountable public sector organisations, as well as to serve political expediency.⁸⁴ Almost every government, both civilian and military, that has ruled in Ghana has introduced some sort of public sector reforms largely through the recommendations of commissions or committees of enquiry.⁸⁵

75 Republic of Ghana, *Report of the Committee on the Restructuring of the Civil Service Machinery*, Accra, May 1982 (Chairman of Committee: Kaku Kyiamah), pp. 5-6.

76 Republic of Ghana, *Report of the Committee on the Restructuring of the Civil Service Machinery*, Accra, May 1982 (Chairman of Committee: Kaku Kyiamah), p. 5.

77 Robert Pinkney, *Ghana Under Military Rule*. London: Methuen, 1972.

78 Republic of Ghana, *Ghana Shared Growth and Development Agenda (GSGDA) II, 2014–2017*. Accra: National Development Planning Commission, 2014; *National Economic Forum, ‘Senchi Consensus’*, held from May 12 to 15, 2014.

79 John Agyekum Kufuor, last State of the Nation Address delivered to Parliament on January 5, 2009, before he left office.

80 Institute of Statistical, Social and Economic Research, *The State of the Ghanaian Economy in 2017*. Legon ISSER, September 2018, p. 1.

81 Robert Darko Osei, Charles Ackah, George Domfe, and Michael Danquah “Political Settlements and Structural Change Why Growth Has Not Been Transformational in Ghana” in L. Pritchett, K. Sen and E. Werker (eds.) *Deals and Development: The Political Dynamics of Growth Episodes*. Oxford: Oxford University Press, 2018, Chapter 6, pp. 159-182.

82 Republic of Ghana, *National Public Sector Reform Strategy, 2018-2023*. Accra: Office of the Senior Minister, September 2017, p. 11.

83 Frank Ohemeng and Joseph Ayee, “The ‘New Approach’ to Public Sector Reforms in Ghana: A Case of Politics as Usual or a Genuine Attempt at Reforms?” *Development Policy Review*, 34(2), 2016: 277-300.

84 Frank Ohemeng and Joseph Atsu Ayee, “The ‘New Approach’ to Public Sector Reforms in Ghana: A Case of Politics as Usual or a Genuine Attempt at Reforms?” *Development Policy Review*, 34(2), 2016: 277-300.

85 Some of the commissions and committees reports and the reforms include the following: (i) Van Lare Commission set up in 1958 to work out the structure and functions of Regional Assemblies, their source of revenue and relation with the central government; (ii) Boison Delimitation Committee, 1965; (iii) Commission on the Structure and Remuneration of the Public Service in 1967 (Mills-Odoi Commission); (iv) Constitutional Commission in 1968 (Akufo-Addo Commission) and (v) Commission on Electoral and Local Government Reform in 1968 (Siriboe Commission); (vi) Commission on the Structure and Procedures of the Civil Service (Okoh Commission) in 1974; (vii) Kufuor; Sowu; and Kaku-Kyiamah committees to deal with public sector reforms including local government in 1983; (viii) Public Administration Review and Decentralization Implementation Committee (PARDIC) to deal with public administration restructuring and decentralization; (ix) District Political Authority and Modalities for District Level Elections (Blue Book), 1987; (x) *Evolving a True Democracy: Work Done by the National Commission for Democracy for the Establishment of a True Democratic Order in Ghana, 1991*; (xi) *Report of the Committee of Experts on Proposals for a Draft Constitution of Ghana, 1991*; (xii) 1992 Constitution of the Republic of Ghana. Some of the reform initiatives include: (i) Civil Service Reform Programme, 1987-1993; (ii) Local Government Reform Programme, 1988/89; (iii)

Table 3: Annual Real GDP Growth (Percent) of Ghana, 2009-2017

Year	Percentage
2009	4.8
2010	7.9
2011	14.0
2012	9.3
2013	7.3
2014	4.0
2015	3.8
2016	3.7
2017	8.5

Source: Republic of Ghana, *Budget Statement and Economic Policy of the Government of Ghana for the 2019 Financial Year presented to Parliament on November 15, 2018 by the Minister of Finance, p. 14*

After the overthrow of Kwame Nkrumah in 1966, a number of commissions were set up, and taken together they made five recommendations for reforms of the public sector, which were not donor-driven. However, the structural adjustment public sector reforms, which were largely donor-driven, focused on three areas during the past three decades (that is, 1984 to date). They are as follows:

- i) Cross-cutting Reforms which include Transparency, Accountability & Oversight; Service Delivery Improvements; Human Resource Management; Institutional Development; Records Management Reforms; Conditions of Work; Financial Sector Reforms; Information & Communication Technology; Gender Mainstreaming in Reform Implementation;
- ii) Specific Reforms which include Subvented Agencies Reform; Local Government Reform; Civil Service Reform; State Enterprises Reform; Central Management Agencies Reform; and
- iii) Sectoral Reforms which include Land; Trade; Education; Agriculture; Health; Energy; Tourism; and Legal.⁸⁶

The reforms did not achieve their intended objectives leading to the steady decline of the effectiveness of public institutions. Furthermore, even though majority of state-owned enterprises (SOEs) operate in “critical sectors of the economy and are important to the management of public finances and public policy more broadly and provide vital services and products as well as employment to the people of Ghana” many of them “have been underperforming compared to their own objectives, while others are incurring losses”.⁸⁷

Consequently, the historical dataset of the Global Competitiveness Index shows that between 2008 and 2015, Ghana was unable to improve the effectiveness of its public institutions. Indeed, the performance of public institutions in Ghana, on a scale of 1 (best) to 7 (worst performance), in protecting property rights, promoting corporate ethics and anti-corruption, curbing undue influence, ensuring government efficiency and providing security was unsatisfactory.⁸⁸

Achievements of past public sector reform initiatives have been described as “modest and have succeeded in improving public sector institutional capacity and operation”.⁸⁹ None of the reforms has, however, brought any significant changes or transformation in

State Owned Enterprise Reform Program in 1988; (iv) Civil Service Performance Improvement Program (CSPIP), 1994-1998; (v) National Institutional Renewal Program (NIRP), 1998-2004; (vi) Public Sector Reinvention and Modernization Strategy-PUSERMOS, 1997; (vii) Public Financial Management Reform Program (PUFMARP), 1997; (viii) Ghana Universal Salary Scale (GUSS), 1999; (ix) Ghana Poverty Reduction Strategy, 2001-2005; (x) Growth and Poverty Reduction Strategy, 2005-2009; (xi) Public Sector Reform Programme, 2001-2008; (xii) Single Spine Pay Policy 2009; (xiii) New Approach to Public Sector Reform, 2010-2016; (xiv) National Decentralization Policy Framework and Action Plan, 2015-2019; and Republic of Ghana, National Public Sector Reform Strategy, 2018-2023. Accra: Office of the Senior Minister, September 2018.

⁸⁶ Republic of Ghana, *National Public Sector Reform Strategy, 2017-2027*. Accra: Government Printer, 2016.

⁸⁷ Republic of Ghana, *SOE Annual Aggregate Report*. Accra: Ministry of Finance, 2016, p. 5.

⁸⁸ World Economic Forum – *Global Competitiveness Index Historical Dataset, 2005-2014*.

⁸⁹ Republic of Ghana, *National Public Sector Reform Strategy, 2018-2023*. Accra: Office of the Senior Minister, September 2017, p. 11.

the performance of the public sector, which continues to perform poorly, leading one to wonder whether the Ghana public sector in general is “an engine for development or impediment”.⁹⁰

A litany of factors has contributed to the failure of the reforms to achieve their intended objectives. These factors can be classified into two, namely,

- i) Governance failures that are the result of institutional bottlenecks of a technical nature and which might be amenable to technical interventions. They include such as constitutional deficits, vast and amorphous public sector including 14 services, commercial and non-commercial state enterprises; lack of policy coordination because of the absence of a centralized coordinating agency; multiple coordinating agencies with overlapping and duplicative roles resulting in turf wars and conflicts; and inadequate resources; and
- ii) Governance failures that serve a political purpose and whose resolution might require elite coalition building and/or political intervention. They include political settlement or clientelistic competition and the balance of power between social groups and/or classes; discontinuity in policies and programmes; extensive appointing power of the President resulting in politicization and lack of professionalism; appointing power of the President buoyed by a 2016 verdict of the Supreme Court; and the highly political context within which public servants operate.

8. Pockets of Effectiveness

It is true that Ghana does not have an effective and efficient public sector. It is also true that in most cases public sector reforms do not necessarily lead to more functional governments or public sector.⁹¹ The failure of reform initiatives in Ghana and other developing countries has led to despair and despondency among scholars, politicians, development partners, and citizens. There is a feeling and perception of fatalism

with regard to public sector reforms and how they can be made to succeed. This notwithstanding, there is the brighter side of the matter. In the midst of ineffective public organizations, some studies have shown that there are a few that are doing well, and are referred to as “pockets of productivity”;⁹² “islands of excellence”, “islands of effectiveness”;⁹³ or “positive deviants”⁹⁴ in government organizations in developing countries.

Pockets of effectiveness or excellence (POEs) are defined as public organizations that have been relatively successful in providing their official mandate of public goods and services in spite of operating in an environment where effectiveness in public service delivery is not the norm, and this differentiates them from other public organizations.⁹⁵

Achievement is hardly recognized in the public sector in Ghana. A few organizations reward hard working staff at the end of the year. Even though performance management agreements have been signed in ministries, departments, and agencies, those who have achieved their targets are hardly rewarded with bonuses and those unable to meet their targets are not sanctioned, leading to a feeling of going through the motions and nothing concrete happening. During the period 2005-2007, an annual awards scheme was instituted by the then Minister for Public Sector Reform for the best public sector organizations which had performed well in service delivery after meeting an approved criteria designed by a committee. The awards were given to the deserving winners during the African Public Service Day in June. The awards scheme was, however, discontinued after the minister resigned.

Anecdotal evidence suggests that the Ministry of Finance (MOF) and the Driver Vehicle and Licensing Authority (DVLA) may be described as pockets of effectiveness in the public sector in Ghana. Under the MOF, there is predictability of economic policy under a professional finance minister resulting in growth. It has also spearheaded the implementation of structural adjustment programmes and other

90 A. Glover-Quartey, *The Ghana Civil Service: Engine for Development or Impediment?* Accra: Woeli Publishers Services/IDEG, 2007.

91 World Bank, *World Bank Approach to Public Sector Management 2011-2020: Better Results from Public Sector Institutions*. Washington DC: World Bank, 2012.

92 R. Daland, *Exploring Brazilian Bureaucracy: Performance and Pathology*. Washington DC: University Press of America, 1981; D. Leonard, “Pockets’ of effective agencies in weak governance states: Where are they likely and why does it matter?” *Public Administration and Development* 30(2, 2010): 91-101.

93 University Press of America, 1981; D. Leonard, “Pockets’ of effective agencies in weak governance states: Where are they likely and why does it matter?” *Public Administration and Development* 30(2, 2010): 91-101.

94 A. Bebbington and W. McCourt, W. (eds.) *Development Success: Statecraft in the South*. Basingstoke, UK: Palgrave Macmillan, 2007.

95 M. Andrews, *Explaining Positive Deviance in Public Sector Reforms in Development*, Centre for International Development (CID) Working Paper, No. 267, 2013

economic policies by the Bretton Woods institutions with relative success. The DVLA, on the other hand, despite the existence of middlemen, has achieved partial autonomy since April 2016, having been weaned off government subvention, and its driver licensing service has improved considerably. It changed from being a division in the Ministry of Transport to an Authority with a corporate image. It has also decentralized its services and outsourced certain services such as eye tests for driver license and driving tests to improve turnaround time in driver licensing and vehicle registration. Furthermore, it collaborated with the then Ministry of Public Sector Reform (MPSR) to establish a client service unit (CSU) in 2006. The main objective of establishing the unit is to make the DVLA more client focused and also improve the speed of service delivery and be more efficient; in addition, DVLA charters are available for all customers. Above all, it has computerized most of the services and therefore reduced the amount of human interaction in transactions.⁹⁶

The area of POE is an under researched one in Ghana and other developing countries and more effort is therefore needed from academics to study potential POEs in the public sector so that their innovations can be known and replicated.

9. Conclusion: The Future of the Public Sector

Ghana's public sector is ineffective in spite of several reforms implemented over the years. Several reasons, which are a combination of commitment, coordination, and cooperation problems, explain this trend. They include constitutional-legal and institutional deficits, lack of political and bureaucratic commitment and support, political, social and economic exclusion, inadequate resources, weak regulatory institutions, and complexity and vastness of the public sector with each institution having its own conditions of service, inadequate financing, over-reliance on development partners, weak implementation of public policies, weak compliance and enforcement of rules and regulations and corruption as often reported by the report of the Auditor General and Public Accounts Committee.⁹⁷

In the midst of these problems, there are several opportunities that can improve the effectiveness of the public sector to enable it deliver on its mandates. This makes the future of the public sector bright if the opportunities are not missed. The opportunities may be divided into two: (i) short term; and (ii) medium term. They are discussed below.

9.1 Short-Term Opportunities

9.1.1 Stakeholders Concern and Interest in the Public Sector:

Interest and concern have been shown by politicians, citizens, the private sector, CSOs, and the DPs (including the World Bank and IMF) on an effective public service delivery through statements, addresses, conferences, publications, and financial support, particularly from the DPs, who have largely supported public sector reforms. In spite of the little progress, succeeding governments still have an unwavering faith in implementing administrative reform through institutional reengineering and innovations because they have realized that the only way to improve the public sector as it has happened elsewhere is to design and implement reforms.

The International Monetary Fund (IMF) made the development of a comprehensive long term National Public Sector Reform Strategy (NPSRS) as one of the structural reform benchmarks of Ghana's three-year Extended Credit Facility (ECF) programme, 2015-2018. A draft NPSRS, 2017-2027 was developed and approved by the immediate past government in 2016 and subsequently received concurrent endorsement of the IMF and World Bank. The new NPP government reviewed the NPSRS on the theme "Delivering for Citizens and Private Sector" and covers the period, 2017-2023. Its focus is to "improve the performance of the public sector to be responsive to the needs of citizens and the private sector for sustained national development".⁹⁸

9.1.2 Existence of Policy and Institutional Framework:

The policy and institutional framework exists to deal with service delivery in the public sector in spite of the weaknesses such the inconsistencies and

⁹⁶ M. Roll (ed.) *The Politics of Public Sector Performance: Pockets of Effectiveness in Developing Countries* Routledge, London and New York, 2014, p. 24.

⁹⁷ Fieldwork the author conducted on Administrative Services in Ghana in 2017.

⁹⁸ Republic of Ghana, *National Public Sector Reform Strategy, 2018-2013*. Accra: Office of the Senior Minister, 2017, p. vii.

contradictions. It includes the 1992 Constitution, Acts of Parliament such as the Public Financial Management Act, Act 921 of 2016,⁹⁹ service delivery standards of the Public Services Commission and Local Government Service, client charters, strategic plans, core values, human resource plan, performance management policy, automation of services, public-private partnership policy developed in 2011, new modes of service delivery especially through decentralization, and client service and grievance units are in place and being implemented by the organizations. Of course, these may take time to be internalized by the organizations and also depends on their financial and human resources capacities.

9.1.3 Continuation of on-going Public Sector Reforms:

There are on-going public sector reforms which should continue. Some of them include the establishment of a reliable Human Resource Development Plan (HRDP) and the implementation of the Human Resource Management Information System (HRMIS) and client service delivery improvement measures in Ministries, Departments and Agencies (MDAs) and Metropolitan, Municipal and District Assemblies (MMDAs) such as international charters, protocols, and service charters, and implementation of career development programs and succession plan for all categories of staff in the public sector. The subvented agencies reform programme (SARP) to reduce their dependency on government subvention should also continue.¹⁰⁰ Some of these reforms are contained in the National Public Sector Reform Strategy, 2018-2023.

9.2 Medium Term Opportunities

9.2.1 Constitutional-legal Reform:

There should be constitutional-legal reform because of the deficits in terms of the composition of the public sector as spelt out in Chapter 14 of the Constitution. The exclusion of the commercial state enterprises even though they are part of the public sector limits the scope of the public sector and its complexities as well as the different conditions of service of the various public sector organizations. In addition, all the public sector organizations have different Acts

establishing them with their own governing boards/council, sector ministries and conditions of service. These Acts are contradictory and inconsistent with one another. There is therefore the need to harmonize them to give the public sector some uniformity in the way the organizations are governed.

9.2.2 Institutional/Structural Reform:

The corresponding institutional framework will have to be reviewed once the constitutional-legal framework is completed. This will give a new look to the public sector as their will be uniformity in standards, processes, conditions of service, and performance. It is true that there is a difference between commercial and non-commercial state-owned enterprises (SOEs) but this can be reviewed especially when in some instances the commercial SOEs are not making profit and therefore a drain on the taxpayer.

Another structural reform should involve reducing the multiple institutions involved in the monitoring and evaluation of public sector organizations such as the PSC, SEC, Ministry of Finance, sector ministries, governing boards/councils, National Development Planning Commission, Office of the Head of the Civil Service, Office of the Head of the Local Government Service. The public sector needs a leader to monitor, coordinate and enforce compliance for uniformity, which could be undertaken through reform. In addition, the ongoing reform of the SEC by the World Bank can continue for the realization of an effective SEC that can protect the interests of the government in the SOE sector.

The nomenclatures of service, council, authority, board, and commission as some of the regulatory agencies are called are also confusing and create a sense of overlaps in functions as well as a perception of some of them being more important than others. Even though the differences in nomenclature are due to the legal framework creating the organizations, there is the need for harmonization and consistency. For instance, in the education sector, there are two regulatory organizations, namely, the National Council on Tertiary Education (NCTE) to formulate policies for tertiary education sector and National Accreditation

⁹⁹ The PFM Act, Act 921 of 2016 is a significant step toward strengthening the PFM systems to ensure fiscal discipline and the effective and efficient use of public resource for the delivery of improved public services.

¹⁰⁰ As at 2016, six of the 12 subvented agencies were weaned off. They are the Driver and Vehicle Licensing Authority (DVLA); Environmental Protection Agency (EPA), Energy Commission (EC), Data Protection Commission (DPC), Gaming Commission (GC) and Securities and Exchange Commission (SEC).

Board (NAB) to regulate standards in tertiary education. One therefore cannot understand why one is called a council and the other a board.

9.2.3 Address the Political Settlement Problem:

The political settlement issue entails reforming election cycle financing and ensuring compliance by the political parties to the constitutional-legal framework. The duopoly of the NPP and NDC and attendant competitive clientelism can be reduced through improving the regulation of political parties in Ghana which the Electoral Commission is not able to do because it is saddled with many functions by the Constitution. It has therefore failed to monitor the political parties in terms of the Article 55(14) constitutional expectations of (a) declaring to the “public their revenues and assets and the sources of those revenues and assets”; and (b) publishing to “the public annually their audited accounts”.¹⁰¹ This has led to the monetization of politics and corruption thereby fueling the practice of quid pro quo situation when a party is in power.

To deal with exclusion and the winner-takes-all as a result of the extensive appointing power of the President, it is proposed that the entrenched article 55(3) of the Constitution be amended to enable political parties participate in decentralized local governance and therefore executive power at the local level, contingent on the outcome of a public referendum to be held in 2019.

Corruption and monetization of politics can be addressed if a separate body is created to complement the work of the EC by regulating the funding of political parties to ensure that the parties are accountable and comply to the provision of declaring publicly their revenues, assets and liabilities. It will also provide an enabling environment for both the big and small parties to be developmental. In this connection, there should be a defined period for election and campaign related activities, after which, all parties are required to engage in national development discourse.¹⁰²

¹⁰¹ Republic of Ghana, *Constitution of the Republic of Ghana 1992 Article 55(14)*.

¹⁰² Institute for Democratic Governance, *The Multi Party Governance Reform Project Report, 2014*

Box 1: Ghana's Public Services

- a)
 - The Civil Service;
 - The Judicial Service;
 - The Audit Service;
 - The Education Service;
 - The Prisons Service;
 - The Parliamentary Service;
 - The Health Service;
 - The Statistical Service;
 - The National Fire Service;
 - The Customs, Excise and Preventive Service;
 - The internal Revenue Service;
 - The Police Service;
 - The Immigration Service; and
 - The Legal Service;
- b) Public Corporations, other than those set up as commercial ventures;
- c) Public Services established by the Constitution; and
- d) Other Public Services that Parliament has by law prescribed (for instance, the Local Government Service created by Act 656 of 2003)

Source: *Republic of Ghana 1992. Chapter 14.*

Table 1: The SOE Sector in Ghana: List of Companies with Government Equity

No.	Name	GOG Shareholding	Sector Ministry
Companies Limited By Liability Guarantee			
1	Ghana Post Company Ltd.	100%	Ministry of Information
2	Ghana Publishing Company	100%	Ministry of Information
3	Graphic Communications Group Ltd	100%	Ministry of Information
4	Electricity Company of Ghana	100%	Ministry of Power
5	Ghana Grid Company	100%	Ministry of Petroleum
6	Architectural Engineering Services Ltd	100%	Ministry of Water Resources, Works & Housing
7	State Housing Company Ltd	100%	Ministry of Water Resources, Works & Housing
8	Bulk Oil & Storage Company	100%	Ministry of Petroleum
9	Ghana Gas Company Limited	100%	Ministry of Petroleum
10	Tema Oil Refinery	100%	Ministry of Petroleum
11	Ghana Cylinder Manufacturing Company Limited	100%	Ministry of Trade and Industry
12	Ghana Heavy Equipment Ltd	100%	Ministry of Trade and Industry
13	Ghana Supply Company Limited	100%	Ministry of Trade and Industry
14	Ghana Trade Fair Company Limited	100%	Ministry of Trade and Industry
15	GIHOC Distilleries	100%	Ministry of Trade and Industry
16	Ghana National Procurement Agency	100%	Ministry of Trade and Industry
17	Precious Minerals Marketing Company	100%	Ministry of Lands Forestry and Mines
18	Volta Aluminum Company Ltd	100%	Ministry of Trade and Industry
19	Ghana Airports Company Limited	100%	Ministry of Transport
20	Ghana Railway Company Limited	100%	Ministry of Transport
21	PSC Shipyard (subsidiary of GPHA)	100%	Ministry of Transport
22	Volta Lake Transport Company	100%	Ministry of Transport
23	Ghana Water Company Limited	100%	Ministry of Water Resources & Sanitation
24	Social Investment Fund	100%	Ministry of Local Government & Rural Development
25	Ghana Reinsurance Company	100%	Ministry of Finance
Statutory Corporations			
1	Volta River Authority	100%	Ministry of Power
2	Tema Development Corporation	100%	Ministry of Water Resources, Works & Housing
3	Ghana National Petroleum Corporation	100%	Ministry of Petroleum

4	Ghana Civil Aviation Authority	100%	Ministry of Transport
5	Ghana Ports and Harbours Authority	100%	Ministry of Transport
6	Ghana Cocoa Board	100%	Ministry of Finance
7	Ghana Exim Bank Ghana Exim Bank	100%	Ministry of Finance
8	Ghana Infrastructure Investment Fund	100%	Ministry of Finance
9	Venture Capital Trust Fund	100%	Ministry of Finance
Joint Venture Companies			
1	Kumasi Abattoir Company Ltd	41%	Ministry of Agriculture
2	Twifo Oil Palm Plantation	40%	Ministry of Agriculture
3	Accra Abattoir Company Ltd	32.83%	Ministry of Agriculture
4	Aveyime Rice Project	30%	Ministry of Agriculture
5	Ghana Rubber Estates Limited	25%	Ministry of Agriculture
6	Produce Buying Company Ltd	36.69%	Ministry of Agriculture
7	WESTEL (Zain)- Airtel (owned by GNPC)	33%	Ministry of Communications
8	Vodafone (Ghana Telecom)	30%	Ministry of Communications
9	Standard Chartered Bank	21,102 Shares	Ministry of Finance
10	African Reinsurance Corporation	11000 shares	Ministry of Finance
11	National Investment Bank	52.57%	Ministry of Finance
12	SIC Life Company	80%	Ministry of Finance
13	Agricultural Development Bank	32.29%	Ministry of Finance
14	SIC Company Limited	40%	Ministry of Finance
15	Ghana Commercial Bank	21.36%	Ministry of Finance
16	First Savings and Loans Limited	2%	Ministry of Finance
17	Ghana Oil Company Limited	51.10%	Ministry of Petroleum
18	Shelter- Afrique	44,723 Shares	Ministry of Works & Housing
19	Cocoa Processing Company	48.38%	Ministry of Agriculture
20	Ghana Libya Arab Holding Company	40%	Ministry of Trade and Industry
21	Ghana Agro-Food Company Limited	25%	Ministry of Trade and Industry
22	GCNET	20%	Ministry of Trade and Industry
23	GHACEM Limited	5%	Ministry of Trade and Industry
24	Metro Mass Transport	45%	Ministry of Transport
25	Intercity STC Company	20%	Ministry of Transport
Companies with Government's Carried Interest			
1	Abosso Goldfields (Ghana) Limited	10%	Ministry of Lands, and Natural Resources
2	Perseus Mining (Ghana) Limited	10%	Ministry of Lands, and Natural Resources

3	Ghana Manganese Company Limited	10%	Ministry of Lands, and Natural Resources
4	Mensin Gold Bibiani Limited	10%	Ministry of Lands and Natural Resources
5	Owere Mines Limited Owere Mines Limited	10%	Ministry of Lands and Natural Resources
6	Golden Star (Bogoso/Prestea) Limited	10%	Ministry of Lands and Natural Resources
7	Golden Star (Wassa) Limited	10%	Ministry of Lands and Natural Resources
8	Med Mining Limited	10%	Ministry of Lands and Natural Resources
9	Great Consolidated Diamonds Limited	10%	Ministry of Lands and Natural Resources
10	Kinross Mining (formerly Chirano Gold Mines)	10%	Ministry of Lands and Natural Resources
11	Adamus Resources Limited	10%	Ministry of Lands and Natural Resources
12	Ashanti AngloGold Ltd.	1.66% ¹⁰³	Ministry of Lands and Natural Resources
13	Ghana Bauxite Company Limited	20%	Ministry of Lands and Natural Resources
14	Goldfields Ghana Ltd.(Tarkwa)	10%	Ministry of Lands and Natural Resources
15	Newmont Ghana Gold Limited	10% ¹⁰⁴	Ministry of Lands and Natural Resources
Subvented Agencies			
1	Ghana Highway Authority	100%	Ministry of Transport
2	Ghana Broadcasting Corporation	100%	Ministry of Information
3	Ghana Meteorological Agency	100%	Ministry of Information
4	Ghana News Agency	100%	Ministry of Information
5	News Times Corporation	100%	Ministry of Information
6	National Theatre of Ghana	100%	Ministry of Chieftaincy, Culture and Religious Affairs
7	Community Water & Sanitation Agency	100%	Ministry of Water Resources, Works & Housing
8	Grains & Legumes Development Board	100%	Ministry of Agriculture
9	ICOUR	100%	Ministry of Agriculture
10	Irrigation Development Authority	100%	Ministry of Agriculture

Source: Republic of Ghana, SOE Annual Aggregate Report. Accra: Ministry of Finance, 2016, pp. 36-38.

¹⁰³ AngloGold Ashanti Company: Government has carried interest of 1.66% in the group instead of Ghana's operations.

¹⁰⁴ Newmont Ghana Gold Limited per their investment agreement has a 100% shareholding. However, government has a 10% interest in the Net Cash Flow as stated in Section 12 of the investment agreement.

Box 2: Six Categories of State-Owned Enterprises in Ghana

Energy-Utilities: Electricity Company of Ghana, Ghana Grid Company, Bulk Oil and Storage Company, Ghana Gas Company Limited, Tema Oil Refinery, Volta River Authority, Ghana National Petroleum Corporation, Ghana Oil Company Ltd., Ghana Water Company Ltd.

Communications: Ghana Post Company Ltd., Ghana Publishing Company, Ghana Broadcasting Corporation, News Times Corporation, Graphic Communications Group Limited, Vodafone Ghana Ltd., Ghana Meteorological Agency, Ghana News Agency, Airtel Ghana Limited

Agriculture Sector: Ghana Cocoa Board, Kumasi Abattoir Comp. Ltd., Twifo Oil Palm Plantation, Accra Abattoir Comp. Ltd., Ghana Rubber Estates Ltd, PBC Company Ltd., Cocoa Processing Company, Ghana Irrigation Development Authority, Aveyime Rice Project (Volta Prairie), Ghana Agro-Food Company Ltd.

Financial Sector: Ghana Reinsurance Company, Ghana Exim Bank, Ghana Infrastructure Investment Fund, Venture Capital Trust Fund, Standard Chartered Bank, National Investment Bank, SIC Life Company, SIC Company Ltd, Agricultural Development Bank, GCB Bank, First Savings and Loans Ltd, Ghana Libya Arab Holding Company, GHACEM Ltd, Social Investment Fund, African Reinsurance Corporation, Ghana Community Net (GCNET).

Infrastructure Sector: Metro Mass Transport, National Theatre of Ghana, TDC Company Limited, Ghana Civil Aviation Authority, Ghana Ports and Harbours Authority, Architectural Engineering Services Ltd., Ghana Airports Company Ltd, PSC Shipyard, Volta Lake Transport Company, Community Water and Sanitation Agency.

Manufacturing Sector: Ghana Supply Company Limited, Ghana Trade Fair Company Ltd, GIHOC Distilleries, Precious Minerals Marketing Company, Volta Aluminum Company Ltd., Ghana Cylinder Manufacturing Company Ltd, Ghana Heavy Equipment Ltd., Ghana National Procurement Agency.

Sources: Republic of Ghana, 2017 State Ownership Report, Accra: Ministry of Finance, p. 87.

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