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GHANA AND GLOBALIZATION: EXPECTATIONS OF UNSUSTAINABILITY

By Justin Quinn

Ghana, one of sub-Saharan Africa's first states to gain independence from European colonial powers, has also become one of Africa's wealthiest and most democratic states. However, unsustainable levels of trade with Europe and the rest of the world, changing climate, and a number of other factors threaten to undermine if not destroy Ghana's stability and prosperity. This paper will briefly survey the risk posed by this situation to Ghana and the region at large (American 2008, B.B.C. 2008, Britannica 2008, Oxfam 2008, Phillips 2007).

Formerly known as the Gold Coast during the British colonial period, Ghana became an independent state under the leadership of Kwame Nkrumah in 1957. Far from being the bastion of democracy that it is now, Ghana was plagued by corruption and volatility during the first quarter century of its existence. Nkrumah's despotic, one-party rule and failed experiments with socialism and Pan-Africanism eventually led to his ouster in 1966, with the country in disarray and heavily in foreign debt. After many coups and fifteen years of mostly military rule, Ghana began to slowly work its way towards a free market economy and democratic, multi-party elections (B.B.C. 2008, Britannica 2008).

Ghana adopted policies of fiscal austerity as part of a structural adjustment plan in order to gain access to funds from the International Monetary Fund and other sources of foreign aid, as well as to boost the economy by boosting exports and foreign investment. A rare success story in this regard, by the early 1990's, Ghana was a leading nation of Africa in terms of economic growth (Britannica 2008, French 2008, World Bank 2008).

This exceptional example of economic success as a result of a structural adjustment plan, however, does not accurately portray the truth of the matter. Ghana rebuilt its economy almost entirely through expanding agricultural production and exports, primarily to the countries of the European Union. Three of Ghana's strongest export products, cocoa, timber, and fish are currently being exported at unsustainable levels, and are engaged in a complex negative feedback loop that has the potential to destroy not only the Ghanaian economy, but regional stability, food security, and even global economic trends in the near future (American 2008, Britannica 2008, C.I.A. 2008, French 2008, G.C.B. 2008, Ilnyckyj 2007, World Bank 2008).

Cocoa, Ghana's leading cash crop, has been threatened by outbreaks of disease capable of killing as much as forty percent of yields, and has contributed to a worldwide shortage because of regional droughts. These droughts, some of the worst in recorded history, are caused by changes in global climate as well as local deforestation that is the result of the timber trade, fish processing for local and international consumption, and—ironically—expanded cocoa farming (American 2008, G.C.B. 2008, International 2006, Pacific 2007, Phillips 2007, U.N. 2007, World Bank 2008).

Forests have been declining steadily at the rate of two percent per year since the dawn of Ghana's democratic era in 1981, with the bulk of the wood being exported to Europe. Ghana, in desperate need of cash after the long period of troubles in the preceding two decades, began exporting timber en masse to pay down massive foreign debts, and simultaneously expanded cocoa farming in the newly cleared lands (American 2008, Britannica 2008).

Besides contributing to the increasingly arid conditions in West Africa caused by global climate change, deforestation has also contributed to the spread of malaria and other diseases by making the climate more favorable for biological vectors of disease transmission. Additionally soil quality and erosion rates are becoming noticeably worse, as salinity levels tend to rise and barriers to wind and water-borne soil loss are lost when forest land is cleared (American 2008, Oxfam 2008, Philips 2007).

The deforestation situation is further complicated by the use of wood-burning stoves to process fish for domestic consumption as well as export. Increases in both extraction technology and processing technology have significantly expanded the fish trade, and with it, the use of wood for smoking. The technological improvements in smoking ovens have also created reliable levels of both quantity and quality for European export trade, significantly adding to the already considerable regional multi-national smoked fish trade-mirroring the expansion of Ghana's overall fisheries yield into European markets, a topic which will be covered more in depth shortly (Globefish 2008, Overa 2008, Tollervey 2008)***.

Ghana's artisanal fish trade employs approximately two million people either directly or indirectly, a number close to ten percent of the population. Nearly two-thirds of total yields are processed by smoking, as there is minimal refrigeration available. Recent improvements in smoking ovens have had the unintentional effect of widening the gap between rich and poor, as only a portion of the population can secure access to the funds needed to purchase the ovens, and have thus contributed to the lateralization of the industry as well (Britannica 2008, F.A.O. 2004, Globefish 2008, Library 2008, Overa 2008, Tollervey 2008).

Atypical of many heavily-indebted, developing countries, Women play the primary role in the maintenance, development, and operations of a crucial segment of the economy. Artisanal fishing makes up about five percent of total gross national product, and it is virtually entirely financed by women, who provide credit and loans to the fishermen to acquire fuel, nets, and even canoes and motors. This guarantees them continued access to yields, which they in turn almost exclusively transport to and sell at regional West African markets. This trade is conducted across international borders through kin networks, tying regional economies together with Ghana's current tenuous prosperity acting as a regional source of economic strength in a area of decreasing economic and political prospects. Moreover, the transnational quality of the trade tends to obscure larger assessments of ecological and economic health, making predictions that will impact millions of lives exceptionally problematic (Britannica 2008, F.A.O. 2004, Globefish 2008, Overa 2008).

Industrial fishing of Ghana's Exclusive Economic Zone (EEZ) is currently at unsustainable levels for all species except tuna, and is further complicated by illegal fishing by foreign vessels. The tremendous size of Ghana's EEZ (nearly the size of Ghana itself) coupled with limited resources for enforcement make the situation unlikely to improve, and although the vast majority of exports go to the various states of the European Union, the majority of the costs in protecting this resource, and the greatest risk if it does indeed fail—as it almost certainly will if current levels of extraction continue—falls squarely on the shoulders of the Ghanaian state (Britannica 2008, F.A.O. 2004, Globefish 2008, Ilnyckyj 2007, Library 2008).

Again, the ramifications of over-exploitation are not limited to merely economic factors, as a collapse of the fishing industry would have profound and widespread effects. There is a direct link between food security and the fish trade, as the local population derives a large part of its protein from fishing, and pronounced links have been made between drops in fish yields and spikes in bush meat consumption—clearly illustrating the ecological devastation possible if the fisheries were to collapse altogether (Globefish 2008, Shanahan 2004, Tollervey 2008).

The economic impact of the failure of an industry which employs as much as ten percent of the population in a heavily-indebted nation dependent on every available portion of its Gross National Product to make payments on its foreign debt cannot be over-estimated when coupled with the aforementioned issues, and is even further compounded by the transnational nature of the trade, in that many poorer, less stable states would also likely be severely impacted by the failure of the Ghanaian fisheries (Illyckyj 2007, Library 2008, Tollervey 2008).

It is not hard to imagine a nightmare scenario of any one of these industries being pushed past a certain threshold, and setting off a chain of events that leaves not just Ghana, but the entire region devastated by droughts, famine, disease, near total unemployment, governmental insolvency and disarray, and a host of other unthinkable scenarios. The potentiality for a humanitarian catastrophe of disastrous proportions is a real possibility, and may even be in the earliest stages of unfolding already (American 2008, French 1998, Oxfam 2008, Phillips 2007, U.N. 2007).

Ghana, to its credit, has taken as aggressive a role as can be expected—given the resources it has available—in remedying the situation, and in many instances, has

successfully recruited the aid of foreign governments, organizations, and companies. The British candy manufacturer Cadbury Schweppes is heavily investing in Ghanaian cocoa farmers through somewhat unorthodox ways; by using microfinance and NGO oversight, they are working to improve both the overall quality of life for local farmers, as well as the quality of the product, rather than simply increasing quantity. Disease resistant strains are being experimented with to increase the effective use of the land. Ghanaian governmental efforts at reducing over fishing through the introduction of artisanal-only zones and gear restriction have met with limited success, and both the Ghanaian government and foreign aid organizations such as USAID have worked to significantly expand aquaculture as an alternative to wild caught fish for export and local consumption. The Ghanaian government has placed a ban on the export of raw timber, and has set aside sixteen percent of its forests as preserves, and restricted logging outside them as well. Recent discoveries of petroleum reserves may help offset declining yields in key industries, though clearly this eventuality in itself presents the potentiality for a host of other problems which could compound the situation even further, as well (American 2008, B.B.C. 2007, Britannica 2008, Denyoh 2008, F.A.O. 2004, International 2006, Library 2008, Oxfam 2008, Sibun 2008).

Even with all this action, most assessments agree that unless significant changes are made, either in conserving resources at sustainable levels or reducing demand similarly, these changes merely serve to slow the eventual collapse of these resources. Ghana, exceptional in many ways, must serve as an example of how unchecked, unsustainable philosophies of neoliberalism have failed, but in so doing, do not always need to end in disaster. The possibility, through vigorous investment, intense

political pressure, local and international activism, changing goals and lifestyles, and a broad, “toolbox” approach to dealing with individual problems connected by the failure of a market-based approaches to remedy them, exists to redefine the downward trajectory of both a nation and a region from a decline in standard of living to one of declining extraction *while* living, and living well, at that. If there is a place in Africa where Africans can create a model of shrinking impacts and economies without an equivalent shrinking of quality of life for all involved, it is here, and if it is to happen, it must happen soon. However, as important as it is to begin from within Ghanaian society, it is all too apparent from the sheer degree of global economic connectivity neoliberal development has introduced that even the best efforts imaginable by the Ghanaian people are doomed to failure without significant changes in global economy as well.

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