

REVIEW OF RURAL DEVELOPMENT STRATEGIES IN GHANA SINCE INDEPENDENCE

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ABSTRACT

Ghana, which once had an advanced industrial base and enjoyed the highest standard of living in Sub-Sahara Africa at independence in 1957, now remains amongst the poor countries in Africa. Although more than half of the population live in the rural areas which are prominent and dominant with regard to food production, employment and income, the people in the rural areas experience most poverty and deprivation.

In addition, the rural areas face a triad of problems, namely, rapid population growth, poor agricultural performance and increasing environmental degradation - all of which have contributed to local food insecurity and increased rural poverty. A large part of the explanation for rural-urban migration can be blamed on distribution of resources which have been skewed towards urban development and economic stagnation of the rural areas.

This paper examines the history of rural development in Ghana and highlights some of the problems and opportunities in efforts by past and present governments to improve the living conditions in the rural areas.

Keywords: rural, sustainable, integrated, accelerated, development

Introduction

In Ghana, the focus of current debate is on the need to break the cycle of poverty and deprivation in the rural areas. The growing concern for rural development is the result of inadequate and insufficient attention to the rural areas, inappropriate micro and macro economic policies, urban bias development strategies, economic mismanagement and series of adverse external circumstances resulting in poverty in the rural areas which produce the bulk of the nation's food and industrial materials and where the majority of the population live.

Prospects for better living conditions and various allurements of the cities and urban centres continue to attract the youth from the rural areas for non-existent white-collar jobs. Consequently, the rural areas have been gradually deprived of the cream of their youth, reduced the quality of manpower available for the development of the rural areas while increasing the social, psychological and economic risks associated with rural-urban migration.

Taking the country out of poverty is not certain in the short-term but is clearly possible. With this background, currently economic wisdom and national policy point towards integrated development strategies which combine investments in income generation activities with provision of basic social and economic infrastructure such as education, water, health,

etc. and the involvement of women in the development process.

Rationale For Rural Development

The need to develop the rural areas of the country was recognised quite early but an appropriate approach or strategy to solve the problems has alluded both decision makers and development practitioners. As a result of lack of agreement, various strategies have been tried in the past by different governments with varying degrees of success. The main rural development strategies include:

- (a) single project (social amenity) strategy;
- (b) agricultural production strategy;
- (c) sectoral approach;
- (d) accelerated project implementation strategy;
- (e) integrated area based development strategy;
- (f) regional decentralised strategy.

In the single project, social amenity and sectoral strategy, emphasis was placed on the provision of basic facilities such as schools, toilets, clinics, water by government agencies responsible for the different sectors without any coordination between them. There were also no linkages between the different sectors of the rural economy because the provision of water, for example, was not linked to agriculture or health.

In practical terms, the problems in the rural areas do not fall into mutually exclusive sectoral categories. Nor do they respect the administrative divisions built into central government ministry structure. They logically require a cross sectoral planning and action response. Therefore, the inherent deficiencies in the single projects strategy did not result in self-sustaining development.

In the late 1970's, it became clear that the problems facing rural communities were so well intermingled that the successful solution of one was contingent upon the successful solution of the others. For example, one could not improve rural agriculture without improving roads, health, storage, water, extension and other institutional support facilities such as credit, marketing, etc.

Integrated based development strategy was introduced to overcome the constraints of the single project, sectoral development strategies. However, the benefits of this approach could not be realised due to financial and manpower constraints.

Because most of these strategies, either singly or in the combination, failed to bring about sustainable development in the rural areas, the living conditions in the rural areas continued to deteriorate. In addition, urban bias developing strategy which accelerated the transfer of resources out of agriculture into the more dynamic industrial



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sector widened the gap between the rural and urban areas. Thus, the rural areas have had poorer share of services, infrastructure and public investment generally, and have experienced most deprivation, poverty and degradation.

There is a general agreement today that the sustainable development of the rural areas is crucial for political stability and national development. Considering the immense physical, political and human potential in the rural areas, the neglect of the rural areas either directly or indirectly affects urban industrial expansion and growth and subsequently national development.

Intimately connected to these reasons are other important factors which explain the need to improve the living conditions in the rural areas:

Firstly, the standard of living of the rural people keeps on falling and their enforced degradation deepens each year because they are unable to support projects initiated by governments and donor agencies which are likely to contribute to the improvement of their living conditions.

Secondly, the majority of the population (over 70%) including the poorest of the poor reside in the rural areas (Statistical Service 1989; EPA, 1994) [1,2]. Since majority of the rural people remain and depend on the land for their livelihood, investment in rural agriculture is the only means to guarantee their income and employment for sustainable rural development.

Thirdly, it is estimated that the majority of the population, about 8.4 million people, live in about 47,000 rural settlements with less than 5000 inhabitants (EPA, 1994) [2]. Therefore, the development of the rural areas obviously constitutes national development.

Fourthly, rural-urban migration which in the past was deemed socially beneficial because of the opportunity it provided for shifting human resources from locations where the social marginal product was often assumed to be zero to places where this marginal product was positive is no longer valid today.

Causes of Rural Poverty in Ghana

Ghana's economic growth and development at independence was considerable. However, in spite of all the efforts to develop the rural areas, poverty has been accelerating. A number of theories have been pronounced to explain rural poverty and deprivation which reflect policy responses, unsustainable rural development strategies, political instability, chieftaincy disputes, lack of local participation in the development process and mismanagement.

According to some observers, political turmoil, poor planning and mismanagement have prevented the rural areas from reducing poverty levels and in achieving high levels of development for the majority of the population living in the rural areas.

Poor planning, implementation and monitoring of development projects in the rural areas are key constraints in rural development. Past strategies by governments and donors to tackle the problems of poverty and deprivation in the rural areas have been conceived on a grandiose scale. Some of the large-scale projects demand large capital inputs

and expertise for implementing and maintaining them. The financial and manpower resources required for such large-scale projects are lacking in the rural areas.

Most efforts at development and modernisation in the past tended to be carried out with very little provision for continuity, the goods generally delivered on a piecemeal basis. For example, a single agency such as the Ministry of Health could be assigned to specific development task, (e.g. establishment of health facilities) and given the necessary funding but with no other expertise behind it to back up the effort. The spectacle, insofar as government development operations are concerned, was rather like a band of musicians individually, playing different tunes.

And then there was the official oversight in national policies that resulted in the neglect of the rural people. The way the government initiated development programmes in the past was as if all that mattered were the urban centres. The tendency was to put emphasis on urban oriented industrialisation at the expense of rural development.

Over centralisation planning decision-making, urban bias development strategies and concentration on the urban industrial sector could only be understood as providing a disincentive to the more productive rural sector on which the national economy depended for food, raw materials, employment and income.

One of the practical lessons of past rural development strategies is that chieftaincy disputes have been responsible for many project failures in Ghana. For example, protracted chieftaincy dispute at Busunya in Nkoranza District in Brong Ahafo Region resulted in mass movement of men out of the community to avoid police arrest and harassment. The direct consequences were lack of labour supply and the subsequent delay in the implementation of the community health and primary school projects.

Moreover, development was not people-centred. Past development programmes by-passed rural people and assumed that increases in the gross national product (GNP) and urban development and growth will automatically benefit rural people. The unbalanced development strategy eventually disturbed growth and widened the gap between the rural and urban areas [3].

The net result was that the gap between rural and urban incomes continued to widen. There were disparities in public access to social services, schools, electricity, infrastructure and other amenities of decent living, with rural neglect served to push the young population to the urban centres in search of white collar jobs.

Historical Account of Rural Development in Ghana

The evolution of rural development in Ghana dates back into the colonial period when in 1948 the Watson Commission was set up to draw guidelines for administering and developing the country. The primary concern of the colonial government was with law and order and maintenance of stable conditions for trade, agriculture and mineral exploitation. Rural development was a low priority and the basic infrastructural facilities especially roads and railways which were constructed were meant to facilitate exploitation of the rich natural resources in the country.

The Kumasi to Takoradi and Kumasi to Accra railways were constructed to facilitate the transportation of the country's natural resources especially gold, bauxite, timber, etc. Villages along the railways became marketing centres and many rural people migrated to these communities to make a living from trading.

The indirect strategies designed to tackle the complex problems of the rural areas especially those along the railway lines were disjointed. It was a "top-bottom", urban-bias strategy with emphasis on trickle down effects. Development was non-participatory and rural people viewed development activities as government business and not related to them. The strategy of urban-bias development resulted in creating spatial imbalance in development resulting in the wide disparity between the urban and rural areas.

Although the Watson Commission made recommendations with the aim of improving the living conditions in the rural areas, the colonial administration lacked the political will to implement the recommendations aimed at reducing rural poverty after satisfying the economic needs.

Post Independence Era

Ghana attained independence from Britain on 6th March, 1957 under Dr. Kwame Nkrumah, the leader of the Convention People's Party (CPP). At Independence, Ghana had substantial physical and social infrastructure and about \$481 million in foreign reserves to develop both the rural and urban areas. During this period, industrialisation was viewed as a key factor in modernisation and rural development.

Consequently, immediately after independence the sustenance of rural livelihoods through industrialisation, increased agricultural production, and rural infrastructure development received priority attention by the first, democratically elected government. Nkrumah's Convention People's Party (CPP) approached rural development and the process of modernisation through expansion in health facilities, free and compulsory education and substantial capital spending in the public sector.

There was a mad rush to establish an industrial manufacturing capacity to turn the country into a show case of industrial development. Stated objectives of industrial development were to exploit natural resources as raw materials for industry, satisfy the basic needs of the population through job creation and promotion of technological process.

In order to achieve these objectives, state owned manufacturing industries were established at Accra, Tema, and other urban centres to concentrate on import substitution because the government believed that it had to produce import substituted consumer goods for the domestic market. The production of basic consumer goods such as soap, toilet roll, milk, sugar, etc. became common.

Other strategies employed to achieve the objectives of industrial development were through reliance on administrative controls rather than market mechanisms to determine incentives and resource allocation and high levels of effective protection. By the late 1960s, effective protection exceeded 100 percent for nearly half of manufacturing industries (World Bank, 1985; ISSER, 1993) [4.5].

Nkrumah pursued a vigorous social development policies. During the early years of Nkrumah's government the country made rapid and remarkable progress in educational, industrial and infrastructure development and in the provision of social services. The free compulsory education was introduced to educate the people.

The introduction of Ghana State Farms, the Workers Brigade and other state owned enterprises such as rural industries were aimed to bring some of the youth who failed to secure employment in the towns and cities back to the rural areas. However, because post-independence development strategies did very little to strengthen basic productive resources in the rural areas, rural urban migration could not be reduced or eliminated. The overall development strategy, which was characterised by enormous internal deficiencies, served to undermine much of the productive sector creating a legacy of economic decline.

While the national strategies for socio-economic development intensified the already existing rural-urban imbalance, many of the investments (e.g. public) had little reverse generating capacity. Many agricultural and industrial schemes introduced by Nkrumah were poorly conceived and badly managed (Todaro, 1994) [6].

Post-Independence approach to rural development was to provide basic infrastructure and services from the centre. There was over reliance on large scale public sector investment as the leading edge in industrial development. Moreover, there was concentration on plans that were national in scope and sectoral in nature. It was believed that the benefits of socio-economic development will trickle down to the rural areas. By the mid 1960s Ghana's reserves were exhausted, and it was clear that Ghana would not be able to repay for its suppliers on schedule.

The traditional approach adopted during this period involved Government Ministries and Departments initiating projects and carrying out the planning and implementation of the projects with little or no involvement by the recipient communities. While administratively attractive because it left control in the hands of professionals, the approach did not work well in practice because the projects selected for implementation often did not meet the community's real needs.

In addition, they also led to continued community dependence on government because the projects were viewed by rural people as government projects and responsibility was seen to rest with the government. The dilemma that existed in Nkrumah's attempt aimed at benefitting poor people in the rural areas was not due solely to lack of financial resources but also because it was 'top-down' and non-participatory.

Although foreign assistance helped prevent economic collapse in the last year of Nkrumah's government, there were no incentives to develop the rural areas under depressed economic conditions caused by debt-service burden, balance of payment imbalances and foreign-exchange shortages.

Laudable as the post-independence rural development strategies such as free and compulsory education, increased agricultural production and rural industrialisation were, they were not comprehensive enough. In practice, what existed at the operational level were sectoral policies and various un-integrated rural programmes aimed at

quite different goals with different implementation procedures.

In the middle of the 1960's, it was clear that the momentum of rural development could not be maintained when the government began to play a leading role in international affairs, particularly in the struggle for the liberation of dependent countries in Africa and spearheaded the Organisation of African Unit (OAU). Resources meant for the development of the rural areas were used in the struggle to liberate dependent African countries.

On February 24, 1966, the Ghana Armed Forces in cooperation with the Police Service overthrew the CPP government in a coup led by Col. Emmanuel Kotoka. A National Liberation Council (NLC) was set up with Lt.-Gen. J.A. Ankrah as its Chairman.

Progress Party (PP) Government Era

The political transformation which took place in Ghana in the early 1970s led to renewed interest in rural development. Between 1970 and 1971, Dr. Busia's Progress Party (PP) Government of the Second Republic ushered in a One-Year Rural Development Plan as a prelude to a medium-term plan to be introduced later.

The purpose of the One-Year Rural Development Plan was to complete projects and programmes initiated under the National Liberation Council (NLC) administration. It was also aimed at accelerating rural industrialisation and liberalisation of the Ghanaian economy in order to attract foreign investment and encourage domestic entrepreneurship. It was the first attempt at integrated rural development in Ghana. The broad spectrum of rural development activities, including small farmer agriculture, provision of physical and social infrastructure and rural industries.

In the same period, the government introduced the indigenisation policy which was designed to restrict foreigners, especially Lebanese, Nigerians and Indians from ownership of businesses in the commercial sector and thereby encourage domestic entrepreneurship. Many Ghanaians entered the commercial sector but many of them could not sustain their businesses for managerial, social and economic reasons.

Although the PP Government received considerable foreign assistance and debt relief, it faced a number of problems which made rural development difficult. Firstly, the government was unable to overcome the inherited constraints on growth posed by the debt-service burden, balance of payment problems, shortage of foreign exchange and mismanagement.

Secondly, the government experienced about 28 percent decline in cocoa prices which resulted ultimately to about 44 percent devaluation of the Ghanaian currency. Thirdly, the institutional framework for project implementation was weak and inefficient. Lack of political will, political instability, over-centralisation of decision making and financial constraints were among the major factors that contributed to the failure of rural development during the period.

However, attempts to introduce reforms in the second year in office, notably the 44 per cent devaluation, removal of

import licensing and reduction in the public services led to the overthrow of the democratically elected government by Col. Acheampong in 1972. Thus, the PP Government did not live long enough to realise its rural development policy objectives.

National Redemption Council (NRC)/Supreme Military Council (SMC) Era

After the overthrow of the Busia administration, the Acheampong regime of 1972 presided over a brief period of economic recovery. The policies which were introduced by the successor military regimes demonstrated little ability to reverse the trend of rural poverty and deprivation in spite of various government pronouncements to improve the living conditions in the rural areas.

Public expenditure and imports as a percentage of GDP declined from 1972-1974 resulting in a trade surplus. A Five-Year Plan was prepared by the military government of NRC/SMC-1 and a number of critical development programmes were launched.

During this period, rural development depended primarily on small-scale agricultural production. Under the slogans of Operation Feed Yourself (OFY) and Operation Feed Your Industries (OFYI), the 5-year plan concentrated its attention on the agricultural sector, industrialisation and general self-reliance based on the nation's domestic resources.

Efforts were made to raise both farm and non-farm incomes through job creation, increased provision of education, health, housing and a variety of related social and welfare services. However, political instability, corruption (calabule) and mismanagement which characterised the Acheampong regime became a serious set-back to rural development.

One significant aspect of this plan was that for the first time over 25% of total plan was allocated to agriculture to improve farm inputs, enhance agricultural manpower, research and farm credit. The Rural Banks were set up to speed the pace of rural development through the provision of credit facilities to small-scale farmers.

However, the rural development plan suffered another interruption and setback as a result of economic and political instability during the period. The plan was abandoned in mid-1978 after a 'palace coup' detat' by General Akuffo who set up the Supreme Military Council (SMC-11) to replace SMC 1.

Accelerated Agricultural Development Strategy

In then 1970s, the ever-increasing demand for food by a fast growing population needing to satisfy conflicting demands for food, shelter and other basic necessities of life, required continuous effort to increase food production to improve and maintain welfare of the population on a sustainable basis.

Therefore, government policies became consistently biased in favour of agriculture. Given the immense agricultural resource base, the government used its agriculture to provide raw materials on which the industrial growth of local small-scale processing activities were based and also as the basis for sustained socio-economic development of the rural areas.

The main objectives of rural development viewed against the broader policy of promoting increased agricultural production included:

- the attainment of food security, i.e. provide all Ghanaians with adequate and nutritionally balanced diets at affordable prices;
- the creation of rural development opportunities, to reduce rural unemployment and under-employment.
- increasing rural income and improving on the balance of payments through diversification and increased cash crop production.

The government adopted the accelerated agricultural development strategy because it was believed that modernisation of agriculture could be effective if it occurred within the framework of rural development.

It was also hoped that through accelerated agricultural development, the country could achieve the most reasonable level of self-sufficiency in agricultural production and thus, increase food security. Since most people depended on agriculture for jobs and income, improving food production became the primary way to combat poverty.

Another assumption behind this approach was that increased agricultural production would give rise to local food security, create employment opportunities for the growing rural labour force, and increase household incomes which could be used by rural people in meeting their basic needs. In order to achieve these objectives, the government invested in irrigation projects such as the Tono, Veve and Dawhenya irrigation projects.

The private sector was encouraged to increase agricultural production under the "Operation Feed Yourself (OFY) and Operation Feed Your Industries Programmes". Compounds were planted with food crops and backyard gardening became fashionable for all categories of workers including, military personnel, civil servants and housewives.

For an agricultural country whose economy depends on the production of primary commodities, increasing agricultural production was a laudable objective for sustainable rural development. However, the objectives of rural development could not be achieved through accelerated agricultural production because developing the agricultural sector without improvement in the services sector - or improvement in the fields of health, education, culture and ensuring active participation of local people in the development process could not be sustainable.

The performance of rural agriculture was not particularly satisfactory, in that it was unable to meet the country's food requirements in a sustainable way. For example, the level of food imports rose from 43,000 tons in 1973 to 152,000 tons in 1981 and reached 283,000 tons in 1991 (EPA, 1994) [7]. Thus, the pre-1983 downward economic spiral in the country had its roots in the decline of agricultural output.

A set of national and international factors and policies conspired to bring about the decline in agriculture. Unfair trade policies, frequent changes in government and the 1972-74 Sahelian drought, weak marketing and storage system were some of the important constraints to increased agricultural production for rural development. Poor producer

prices, poor transportation and distribution networks, lack of inputs and credit soon reduced enthusiasm and interest in the OFY and the Operation Feed Your Industries Programmes.

There was little use of agricultural products to produce intermediate products in the food processing industry and with inadequate storage facilities, post-harvest losses were enormous. Moreover, past efforts tended to use top-down approaches concentrating on technical means rather than forging links with local communities. Our failure to understand and approach local knowledge and integrate indigenous knowledge systems contributed to the failure of many rural development projects.

The national economy continued to decline as a result of instability of political stability. Mismanagement of the economy, corruption and loss of government revenue through smuggling reduced the country's capacity to increase agricultural production, expand and rehabilitate the existing social services and infrastructure.

Peoples National Party Era (PNP)

President Liman's People's National Party (PNP) administration became the democratically elected civilian administration after Busia. President Hilla Liman's administration of the Third Republic (September, 1979 to December, 1981) presented to Parliament in March, 1981, a Five Year Development Plan aimed to resuscitate the economy which had been run-down by a decade of drought, economic mismanagement, corruption and political instability.

In spite of the efforts and reforms, the period 1975-78 saw a sharp reversal in economic fortunes with a steady fall in overall growth and significant decline in export earnings. In September 1979, the Ghanaian economy was in danger of collapse because of a sharp decline in real GDP per capita, low level of investment, dilapidated infrastructure, shortage of imported and locally manufactured goods, etc. The civilian administration experienced stagnant industrial and agricultural production because of inadequate supplies of imported raw materials, fuel, spare parts and machinery.

Although there were a number of important infrastructure facilities and services such as expansion in health, education and transportation, the overall development strategy was undermined by a sizable budget deficit (almost 40% of expenditures), high inflation, an increasingly overvalued currencies; unemployment and under employment, corruption, mismanagement and foreign exchange constraints.

The situation was further aggravated by a thriving 'black market', diversion of livelihoods into petty trading. Heavy debt servicing drastically reduced funds available to the government for domestic social and economic programmes designed to alleviate rural poverty. The national economy continued to decline as a result of instability of political stability.

Mismanagement of the economy, corruption and loss of government revenue through smuggling reduced the country's capacity to increase agricultural production, expand and rehabilitate the existing social services and infrastructure. On December 31st, 1981, there was a military coup in Ghana

which resulted in Dr. Liman's government being replaced by the Provisional National Defence Council (PNDC). The military coup was caused by a decade of economic hardships.

Provisional National Defence Council (PNDC) Era

After more than a decade of economic decline and political instability, the Provisional National Defence Council (PNDC) took over from the PNP Government, and constituted itself as a political party known as the National Democratic Congress (NDC) with John Jerry Rawlings as its leader and presidential candidate.

The government inherited an extremely weak economy resulting from a decade of economic decline, corruption, mismanagement and unfavourable weather conditions. Before the Military regime could settle down, Nigeria announced the expulsion of an estimated one million Ghanaians who were illegally working in Nigeria. The situation was further exacerbated by an abnormally low rainfall which resulted in shortages of food, rationing of electric power, water supplies, etc.

The government responded by initiating a number of national and local development programmes. In April 1983, the Provisional National Defence Council (PNDC), launched a set of reforms under an Economic Recovery/Structural Adjustment Programme (ERP/SAP) to restructure almost all sectors of the economy under International Monetary Fund (IMF) and World Bank conditionality.

The main objective of the ERP/SAP or policy reforms was to address the problems and constraints inherited from the past efforts at industrialisation and reverse the long years of economic decline which had seen per capita income falling by over 30% between 1970 and 1982. The main components of the ERP included:

- de-regulation of the economy;
- liberalisation of trade;
- public expenditure controls;
- floating of exchange rate;
- private sector revitalisation;
- rehabilitation of economic and social infrastructure.

Other objectives of ERP included:

- restoring incentives for the production of food, industrial raw materials and export commodities;
- increasing the availability of essential consumer goods and improving the distribution system;
- increasing the overall availability of foreign exchange in the country;
- lowering the rate of inflation by prudent fiscal, monetary and trade policies;
- rehabilitating the physical infrastructure of the country.

The ERP achieved some success nationally in terms of economic growth, increased production and exports, reduced inflation, etc. Notwithstanding these successes and beneficial outcomes, the government recognised that the ERP had exacerbated the plight of vulnerable sectors of the population before its economic benefits could spread throughout the economy to all groups.

In order to reduce the burden of adjustment (widespread poverty and economic hardship of poor and vulnerable groups), the government introduced the

Programme of Action to Mitigate the Social Costs of Adjustment (also known as PAMSCAD) in November, 1987.

Communities were encouraged to identify and implement projects that met their felt needs. Projects ranging from employment generation, the provision of basic services such as water, schools, clinics and non-formal education programme and interventions became the hallmark of the PAMSCAD programme. PAMSCAD identified specifically small farmers and their families as being particularly vulnerable and increased assistance to them.

Along with the bold economic reforms the government embarked on a policy to decentralize decision-making to promote more participatory development at the grassroots. Guided by the lessons of the past and convinced that local government institutions can contribute to the socio-economic development of the rural areas, attempts to improve living conditions in the rural areas and sustain rural development have been sought through the decentralisation and community-based small scale projects.

The local government reform is aimed at empowering local people to take vital decisions concerning the development of their communities. Under the decentralisation programme the government has placed greater emphasis on the D/Assemblies as the development centres and instruments which have critical roles to play in the realisation of the objectives of rural development.

Impact of Policy Reforms

These policy measures have had profound effect on rural development and the national economy. Available records show that the ERP has had a mixed effects on Ghana's poor population. Although Ghana is often named among the countries that the World Bank and (IMF) have periodically cited as success stories for adjustment, there is a fierce debate as to whether the poorest segments of the population particularly small-scale farmers in the rural areas have benefited from adjustment.

The ERP has met with some success in as much as GDP grew by 6% per annum over the period between 1983-1988. To many rural households, the transitional costs of ERP appears to be greater than the benefits they have so far gained (World Bank, 1985) [8]. Some observers argue that rural people have suffered even greater deprivation and poverty as a result of such measures as devaluation, retrenchment of the public sector, abolition of subsidies, floatation of the exchange rate, privatisation, etc.

According to those opposed to structural adjustment, the socio-economic hardships facing rural people could not be adequately addressed by the ERP/SAP and other programmes such as the Programme of Action to Mitigate the Cost of Adjustment (PAMSCAD).

Many projects under PAMSCAD have not been sustainable because of technical and socio-economic constraints whilst improper targeting of vulnerable groups, due to lack of basic data and information, resulted in projects not going to those in most need. Poor coordination between the local agencies and inadequate training of project personnel were some of the major problems which undermined the successful implementation of the programme.

Another challenge was how to ensure the sustainability of the project. However, one of the very serious stumbling blocks to the realisation of the government's rural development objectives is the unfair international economic order.

As a result of the global economic problems, the government whose development budget is based on earnings from primary commodities such as cocoa has often been forced to make cuts in rural development funding. In addition, political instability has resulted in diversion of limited resources into ensuring security at the expense of development. These conditions have obviously affected the development of the rural areas.

National Democratic Congress (NDC) Era

At the end of the 1980's, it had become clear that the participation of the rural population had fallen far beyond expectations because rural communities were not allowed and encouraged to become responsible for the sustainable development of their communities. Therefore when the NDC came to power in 1992, the government declared its commitment to the development of the rural areas based on the principle of participation.

The European Union (EU) and Ghana Government Micro-projects Programme (MPP) and the District Assembly Common Fund have subsequently become the key strategies of rural development which ensure the active participation of local people. Under the MPP, many communities have been provided with basic social and economic infrastructure facilities such as feeder roads, schools, clinics, water supply, etc. These are small projects which meet the priority needs of rural communities and have economic and social impact on the life of rural people.

Through the MPP, the government has been able to involve local people in planning decision making processes through the implementation of the decentralisation programme. Although the MPP strategy is sound, in practice it has some problems because communities which do not have the expertise to carry out many of the desired projects have to rely on outside assistance.

Moreover, more than a decade of research and MPP supervision by the Bureau of Integrated Rural Development (BIRD), at University of Science and Technology (UST), show that a major obstacle in the way of sustainable rural development in Ghana stems from inadequacy of financial resources at the disposal of rural communities to maintain or rehabilitate community projects after external support has ceased.

This factor, combined with lack of technical expertise, constitutes a serious inhibiting influence on rural people's ability to ensure the sustainability of village projects such as potable water supply and primary health care.

Under the decentralisation programme, District Assemblies are being strengthened to facilitate the socio-economic development of their areas. The introduction of the Common Fund has become an important source of project funding for the District Assembly which has responsibility to promote socio-economic development of the rural areas.

Summary and Conclusion

Ghana's economic growth and development at independence was remarkable but political instability, poor planning, mismanagement and lack of political support have prevented the rural areas from reducing poverty levels and achieving sustainable rural environmental development.

Most of the underlying causes of economic decline which accelerated rural poverty in Ghana after independence are present today. For example, because most development strategies focus on the urban areas, the availability of basic social amenities and greater employment opportunities in the cities and urban centres continue to attract rural people, especially the youth, into the urban areas, thus accelerating rural-urban migration.

Reducing rural poverty and achieving sustainable rural development require that governments and donor agencies adopt popular based development strategies. In this regard, building and strengthening organised segments of the rural poor and vulnerable groups, especially women, are possibly the most urgent challenge for promoting rural development. However, if rural development is to become a reality, there must be a better balance between rural and urban development.

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