Decentralization of Ghana

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This paper investigates how the planning process currently functions in the city of Techiman, Ghana. As in many countries, the process of decentralization in Ghana is challenging. Legal and administrative decentralization began in the 1990s after several decades of central government attempts to de-emphasize ethnic and regional differences by supporting Pan-Ghanaianism, a notion that identification as Ghanaian superseded subnational characteristics. Today, under the new paradigm, local governments seeking to build transparent and sustainable infrastructure projects must still overcome unique challenges, including widespread inattention to infrastructure maintenance and the re-emergence of powerful traditional chieftaincies.\(^1\)

As I will explain later in this paper, the central government in Ghana does not provide funding for communities to repair or maintain local infrastructure or services. Therefore, municipalities are responsible for long-term savings programs to maintain new and existing projects. On the positive side, Ghanaian communities also offer unique resources that can support planning goals: traditionally, all the members of a community come together when necessary to accomplish common goals, like the construction of a new facility or organized clean-up days. Decentralization has encouraged and required a return to this community culture.\(^2\)

Development planning in Ghana is central to the long-range development goals of the country. Nevertheless, execution of local planning goals in the city of Techiman remains difficult. Based on research and interviews, I believe that the execution of three-year development plans (called medium-term plans) is hindered by a lack of political and fiscal devolution of power from the central government to the local government. I tested this hypothesis using evidence collected through on-site interviews and observations, as well as a review of strategic and development plans spanning the 10-year period between 2002 and 2012. A review of literature pertaining to decentralization in Africa informs the analysis of the achievements and shortcomings of the decentralization process in Ghana.

This paper is divided into four parts. The first section is a review of the decentralization theory that I am applying to my research in Techiman. The second section provides background on Ghana and the municipality and city of Techiman. The third section describes how political, administrative, and fiscal powers have been transferred from the central government to local authorities. This section includes observations of how this process was taking place during my research. The fourth section of the paper reviews my findings and conclusion.

DECENTRALIZATION

For the purposes of this paper, decentralization is defined as a central government formally transferring powers to actors and institutions at lower levels in a political-administrative and territorial hierarchy.\(^3\) The underlying logic of decentralization is that democratic or locally accountable institutions can better discern and respond to the needs of the local population than a distant central government can. Making local government actors downwardly accountable to their constituents is the central mechanism of effective decentralization. A successful downwardly-accountable governance system requires that local and regional actors possess the necessary fiscal, political, and administrative independence to respond to local demands. When decentralization is carried out effectively, the system becomes an institutionalized form of community participation.\(^4\) There are many reasons that a country may pursue a path toward decentralization. According to Rondinelli, (1983, 10) some of these reasons are:

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1. Acheampong 2011
2. Asomani-Boateng 2007, 132
3. Agrawal 1999, 473
4. Agrawal 1999, 473
Ideological interest due to distrust in central government and a belief in the value of local government and autonomy,

Political interest in increased government accountability through the democratization of local government,

Desire for efficient and direct provision of public services and infrastructure development, coupled with the belief that local authorities are better able to tailor services to the needs of a local area and can better maintain and improve infrastructure systems,

Interest in the equitable distribution of funds to local authorities so that they may pursue local priorities and needs.

Path dependency and the sequential theory of decentralization. Throughout the developing world, central governments unwilling to cede power have undermined decentralization efforts. A key tool that central governments use to accomplish this is the power to alter the order in which powers are devolved to local authorities. Decentralization is a decision making process wherein each choice made leads to an increasingly predetermined next step: as an institution proceeds down the path of decentralization it becomes increasingly difficult to change the path. The result is that if a decentralization process begins in an order that is not conducive to building local autonomy and providing necessary resources, reorganizing the process later is extremely difficult. A change in the path requires either an exogenous shock, such as demands from the international community for structural reforms, or gradual influences from endogenous mechanisms, which can lead to long-term changes in political systems.

Tulia Falleti’s 2005 article, “A Sequential Theory of Decentralization: Latin American Cases in Comparative Perspective,” presents a three-pronged theory of decentralization: (1) The design of decentralization policies are highly dependent on when policies are implemented in the process of reform; (2) There is a preferred order of decentralization components that varies between central government preference and local government preference, and (3) The geographic and market orientation of the local state is crucial to the decentralization process. For this paper I will analyze the decentralization components of political, fiscal, and administrative powers via the preferred order of decentralization that Falleti presents in her paper and that has been recognized by numerous authors since her 2005 publication. As defined earlier, decentralization is the formal transference of power from central governments to local governments to increase downward accountability. The components of decentralization and how they are disseminated from central to local governments are crucial to the successful empowerment of local people.

Defining the components of decentralization

Administrative decentralization is typically the first component that central governments hope to disseminate to local governments and, conversely, is the last component that local governments want to accommodate. Administrative components include the enablement of regulatory decisions and law enforcement at the local level. Functional administrative components include planning and delivery of economic, education, health, and sanitation services. In Sub-Saharan Africa the administrative components of decentralization are the most commonly distributed. There is a long history of delegation of responsibilities of enforcement and regulatory oversight since the colonial period.

The second component of decentralization is devolution of political authority. Political decentralization provides for direct election of the local government, including members of the executive branch. Frequently, local governments feature popularly elected legislative bodies, but with appointed mayors or executives. In the case of Ghana, the Chief Executive (Chief Municipal Executive or Chief District Executive) is appointed by the Ghanaian President and holds the executive powers of the local government. The Ghanaian system also features an intermediary level of government at the regional level, which I will discuss more fully later in the paper.

Fiscal decentralization is the third component of
decentralization. It includes the ability to raise funds locally through taxation, local control over centrally-generated funds, transparency in fund allocation, and an open and participatory system for citizens to engage in budget development and decisions. Circumstances may limit the impacts of fiscal decentralization: while the World Bank notes that many Sub-Saharan African countries have provisions for local government to levy taxes, their tax base is often so weak that they can raise little revenue. Additionally, local governments’ reliance on the central government as their primary source of revenue is so ingrained that local administrators do not even attempt to strengthen local revenue capture capacity.

Tension between central governments and local governments

Tulia Faletti’s 2005 paper presented the theory that there is an inherent tension between the order in which central governments or executive entities want decentralization to occur, versus how local governments and legislative actors and local level public employees want decentralized powers to be transferred. Central governments prefer to follow a pattern of decentralization that begins with the transfer of administrative powers, then fiscal, then political; local governments prefer an order of decentralized powers that begins with political powers, then fiscal, and only then administrative. Faletti explains that administrative decentralization can only increase local government accountability if the local government has the necessary fiscal independence and political autonomy to execute its new administrative responsibilities. She goes on to point out that if administrative decentralization takes place without the necessary fiscal decentralization strategy also in place, the local authority becomes increasingly dependent upon the central authority to be able to deliver administrative services and infrastructure. Administrative decentralization without fiscal decentralization results in unfunded mandates, which undermine the ability of the local government to deliver services and effectively returns control to the central government.

The next section of this paper will introduce the historical, political and cultural setting of Ghana and Techiman.

POLITICAL AND HISTORICAL BACKGROUND ON GHANA AND TECHIMAN

Background on Ghana

Ghana is a West African country located on the Gulf of Guinea. Prior to gaining independence in 1957, Ghana was a British colony called the Gold Coast. During the colonial period, which stretched for nearly 500 years and included half a dozen colonial powers, the traditional ethnic tribes of Ghana developed complex relationships with the colonial powers and with each other. The most famous of the tribal struggles is that of the Ashanti, who fought vigorously to maintain their autonomy and protect their traditional capital of Kumasi from British domination. In 1874 the battle for Ashanti independence came to an end when the British burned Kumasi to the ground. The British subsequently established a fort on the site of old Kumasi and began setting up a new city. In addition to physically razing Kumasi, the British also attempted to ethnically dilute the Ashanti population in the region. The British treated Kumasi as a frontier town to their colonial power and began by forcing coastal populations to move inland and resettle there. The goal was a widely practiced British strategy of divide and defeat, controlling the Ashanti power by diversifying the ethnic make-up of the region.

Colonial practices remained oppressive over time. In 1948, galvanized by the suppression of the middle class and continued economic exploitation, Kwame Nkrumah and the five other leaders known as “The Big Six” took the lead demanding Ghanaian independence. Nkrumah soon became a figurehead, then prime minister, and then the first president of the new Republic of Ghana when, in 1957, Ghana became the first sub-Saharan country to gain independence. Nkrumah remained in power until 1966 when he was overthrown by the first of four consecutive military coups that marred Ghana's economy and reputation. The last military coup was orchestrated by Jerry John Rawlings in 1981, who held power from 1981 until 2000. Pressured by international and domestic actors, Rawlings allowed elections to take place in 1992. After winning the election in 1992, he went on to win the next two consecutive elections, finally stepping down in 2000. John Agyekum Kufuor won the elections in 2000 and 2004, after which newly-enacted term limits required him to step...

14 Awortwi 2011, 351
15 World Bank 2003, 13; Smoke 2000
16 Faletti 2005, 6
17 Faletti 2005, 6
18 Pelling 1999, 251 and Intsiful 2011
19 GhanaBusiness, 2011
down ahead of the 2008 elections. The current president, John Atta Mills, won by a .5% margin in 2008, narrowly beating the incumbent party candidate Nana Akufo-Addo. Mills served as the Vice President to J.J. Rawlings from 1997-2001.20

I retell this election cycle because it is important to recognize the relative youth and fragility of democracy in Ghana: there have only been 3 democratic transfers of power since Ghana’s independence 54 years ago.

Background on Techiman

Techiman is known for being the site of a massive outdoor agricultural market. The Techiman market is a trading hub for agricultural and animal traders throughout Ghana and West Africa. Situated on major north-south and east-west highways, the city is well-suited as an economic center and has experienced exponential growth over the past several decades. Over the last two decades the market in Techiman expanded from one day to three days per week, and is approaching four full days. The population of the city has grown from 8,700 people in the first recorded census of 1960 to a current estimated population of 80,000 in the city and over 100,000 people living in the surrounding municipal area.21

In addition to Techiman’s recent growth and economic strength, it also boasts a unique ethnic heritage. Techiman is the center of the Akan people, which comprises a wide variety of Ghanaian tribes including the Twi, Fante, and Ashanti.22 Complementing this rich Akan history, the market has drawn various ethnic and religious groups from across West Africa. Techiman’s culture of acceptance and reputation as a melting pot is visible through its traditional, political, and administrative authorities. Overall, Techiman is a success story in terms of creating an inclusive multi-ethnic community.23

However, challenges remain between the administrative and traditional authorities and there is increasing tension among the traditional authorities of Techiman. One of the most significant challenges that Techiman’s administrative staff faces surrounds property rights and land procurement: 80% of property in Ghana is owned by traditional chiefs, and this stays true in Techiman.24 Compounding the problem is the fact that traditional chiefs will frequently hire private consultants to divide their land for development and leasing. The traditional authority will typically not consult administrative staff prior to leasing out plots of land, and the private surveyors will rarely make accommodations for necessary public services. Complaints are made to the administrative staff first because services are not being provided to new developments, and conflicts arise when the municipality tries to appropriate parts of the newly leased-out property to provide necessary infrastructure.25

In the next section of this paper I will describe how the decentralization process occurs in Techiman and provide more in-depth explanations of the local governmental structure in Techiman and throughout Ghana.

ADMINISTRATIVE, POLITICAL AND FISCAL DECENTRALIZATION IN GHANA

Administrative

Within the framework of decentralized development planning, the Ghanaian Parliament passed the Local Government Act in 1993 (Act 462) and its Legislative Instrument in 1994 (LI 1589). These acts established “administrative districts” throughout the country. Today Ghana is divided into ten regions. Within each region the Local Government Act established legislative bodies that are defined by the population size of the area they serve. Administration districts, or MMDs, are referred to as municipalities, metropolitans, or districts. Currently, there are six metropolitan assemblies, 40 municipal assemblies, and 124 district assemblies. Techiman is a municipal assembly located in the Brong-Ahafo district. The Techiman Municipal Assembly (TMA) represents a population of over 200,000 residents, and currently has two parliamentary members representing the area.26

The Local Government Act of 1993 established 170 district assemblies.27 Since the mid-1990s, the principles of development planning were fundamental to the continued process of decentralization and economic development taking place in Ghana. Through the 1994 establishment of the National Development Planning Commission (NDPC)

20 Ghana Electoral Commission, 2008
21 Blighton 2010
22 Warren, 1975, 25
23 Acheampong 2010
24 Odotei and Awedoba 2006, 89
25 Intsiful 2011
26 Blighton 2011, 70
27 Maks Publications & Media Services, 2006
and the National Development Planning System (NDPS), participatory planning and a decentralized system of grassroots decision-making has been a centerpiece of Ghana’s economic development agenda.

The District Planning Committee Units (DPCUs) are at the heart of these initiatives. DPCUs are the professional planning staff that work at the local assembly level throughout Ghana. These civil servants are held accountable for successful development planning ranging from building inspections to water provision. A DPCU Officer oversees the work of the Planning Office itself, but also serves as the head of the Strategic Planning Committee, which is comprised of civil servants from the Water and Sanitation Committee, Financial Committee, Physical Planning Committee, and the Sanitation and Environment Committee. As part of their work, DPCU officers prepare medium-term plans, which summarize the current state of the physical, social, and cultural health of their district. The format of the medium-term plans is provided by the NDPC. Each region collects the medium-term plans from its districts and creates a meta-summary, which in turn is given to the central government to direct the development agenda for the next term.

**Political**

Under the Ghanaian Constitution, district assemblies are made up of elected and appointed officials. Two-thirds of the members are popularly elected, while the remaining one-third of the assembly members are appointed by the Ghanaian President. The district executive member, the Chief Executive, is appointed by the President, following a two-thirds vote of approval in the assembly. Each local government assembly also has a Presiding Member who is chosen by a two-thirds vote of the assembly body. This person serves as the assembly speaker, but the role is largely symbolic because of the overriding power of the Chief Executive. During my interviews, I received an array of opinions on the structure of the local government. According to the Constitution, the reason that 30% of local assemblies are appointed is to ensure that there are legislative members with technical skills in the government. Because the rest of the assembly is elected by popular vote, there is no way to ensure that those elected members will have the necessary skills and knowledge to run the assembly. Dr. Daniel Inkoom, a senior member of the Architecture and Urban Planning Department of Kwame Nkrumah University for Science and Technology (KNUST), had a very different impression of the appointment system. In his view, the appointments politicize the local government and manipulate the local assemblies to fulfill the goals of the central government. Dr. Inkoom also emphasized that while the Constitution grants the assembly body the right to issue a vote of no confidence and remove the Chief Executive, most members are not aware of this provision. Dr. Inkoom’s concerns are echoed by outside donor agencies reporting on Ghana’s local government system. In 2007, the Ghanaian government sponsored a review of the country’s decentralization policy and progress. The findings from this report include recommendations to eliminate local assembly appointments.

Under the local assembly, most areas have a number of smaller micro-assemblies, or sub-districts. In Techiman, the municipality’s 10 micro-assemblies are called Zonal Councils. The Zonal Councils are made up of at least a chairman, secretary, and treasurer, and these councils are pivotal in disseminating information to their zone residents. However, their members are appointed, not elected, and it is possible to have zonal committee members who live outside of the zone they represent. Additionally, because there is a lack of funding from the central government, most of these positions are unfunded, underfunded, or irregularly funded, causing the responsibilities of the idealized zonal councils to fall on a willing volunteer or an eager political appointee.

Above the local assembly is the Regional Coordinating Council (RCC). This council oversees all of the development planning work taking place in the region. The RCC is comprised of a presidentially-appointed Regional Minister and his or her Deputy, the Presiding Member and Chief Executive from each district, two chiefs from the Regional House of Chiefs, and Regional Heads of decentralized ministries who are non-voting members. Of the six voting members of the RCC, only one is an elected official. The RCC is extremely important in the governance of the region, controlling all funding for water and sanitation projects.

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28 Mahama 2011
29 LOGnet 2007, 27
30 LOGnet 2007, 26
31 Inkoom 2011
32 LOGnet 2007, 22
33 Mahama 2011
34 Constitution of the Republic of Ghana
Districts receive District Assembly Common Funds (DACF) from the central government, but these funds are not allocated to water and sanitation. I will explain more about the DACF and other financial structures in the next section. To learn more about the Water and Sanitation systems in Techiman I met with David Tontrong, a 17-year veteran of the civil service in Ghana and a former United States Peace Corps Technical Trainer. He walked me through the steps of a water or sanitation project.

1. An individual community prepares a request for a project and submits it to the local assembly.
2. Water and Sanitation Officers from the local assembly staff visit the community and perform a needs assessment to decide if the request meets the highest need of the community or if the request needs to be adapted.
3. Working together with the community, the Water and Sanitation Officers prepare a project proposal and submit it to the RCC.
4. The RCC collects proposals from throughout the region and sends Regional Water and Sanitation Committee members to review each requesting community.
5. Based on the preparedness of the community, the total funds available and urgency of the requested projects, the RCC chooses which projects will be funded and hands the decisions and funding packages back to the local assembly.
6. The local assembly should send a delegation (including the local assembly representative and the sub-committee or zonal representative to the community and begin preparing the community to build the project. Unfortunately, because of a lack of funding, local representatives may not have the financial capacity to travel to the community and there may not be a zonal representative for the community.
7. Depending on the scope of the project, either the local assembly or the RCC will bid out the contracts on a regional or national stage. The RCC has the power to dissolve a contract made by the local government. If a local assembly bids out contracts and less than three responses come in, then it must be bid again and may be taken over by the RCC to be bid out at the national level.
8. The local assembly and the zonal water and sanitation committees are responsible for overseeing the project and ensuring people in the community are trained in maintenance and repair of the project mechanisms. Maintenance and repair training includes instruction on the why and how of creating a local fee collection and savings program for use and future repair of the system.

Despite the fact that the Ghanaian Constitution bans politicization of local government, political appointees make up half of RCC members. Distribution of water and sanitation services by central government appointees increases the risk of patronage relationships forming between the communities and the regional councilmen.

**Fiscal**

As seen in the example of how water and sanitation decisions are made, finances and governance are closely related. Currently, local assemblies have three revenue streams: the District Development Fund (DDF), the Internally Generated Funds (IGF), and the DACF (District Assembly Fund). How these funds are raised, allocated, and spent requires close coordination between the local and central governments. This is especially true concerning how a local government’s IGF affects its DACF allocation.

**DDF: District Development Fund**
The DDF is Ghana’s development fund basket. This pool of funds is made up of the external funds flowing into the country in the form of aid, grants, and loans. To ensure that the DDF is being appropriately transferred and disseminated, in 2008 the World Bank created the Functional Organization Assessment Tool (FOAT), which a district needs to satisfactorily complete in order to have access to funds. Accompanying the assessment is a packet on expectations and guidelines on transparency, accountability and good governance. In 2009 the Techiman Municipal Assembly scored a 96/100 on the FOAT, a success that was trumpeted throughout Ghana. 35

**IGF: Internally Generated Funds**
The IGF is made up of the funds raised internally by a district from fees, fines, rents, taxes, or other sources. The most prominent source of IGF is from market fees, fines, and taxes.

35 Ghana News Agency 2011
Each locality has the power to tax market revenue, and this money goes directly into liquid assets. In a local effort to increase transparency, the Techiman Municipal Assembly publically posts the total tax revenue from the weekly market on a board outside of the market area. Originally founded by a traditional chief, today the municipal assembly is responsible for market management, maintenance and fee collection. Ownership and management of the market is a mix of benefits and challenges to the Assembly. Techiman’s Finance Officer, Mr. Kosmas Inuri was able to provide me information on both sides. Through the market fees the assembly is able to cover the cost of sanitation, festivals for the traditional council, and support the functioning of local town and area councils. Additionally, the assembly uses the money to pay for laborers, such as movers, cleaners, and yard workers who work for the assembly. Salaries of assembly staff are paid from the central government’s DACF allocation.

Managing the market is not cheap, however. The assembly is responsible for removal of market waste and the creation of market infrastructure: the assembly has installed pathways, lighting, and service areas such as medical centers and public toilets in the market. A serious concern for the market and for the assembly is that the market has not spatially expanded in years. Because the market is situated in the center of Techiman, there is no space for the market to expand horizontally, and the assembly is not building vertical shops, so it is not expanding upwards. Despite that, additional vendors have continued moving into the market,

| Table 1. Techiman Municipal Revenue Performance 1997 – 2001 |
|-----------------------------------------------|-----------------------------------------------|
| SOURCE | 1997 | 1998 |
|        | ESTIMATED | ACTUAL | Actual % | ESTIMATED | ACTUAL | Actual % |
| 1.Rates | 26,300,000 | 16,141,520 | 61 | 26,700,000 | 20,373,100 | 76 |
| 2.Lands | 26,900,000 | 19,598,300 | 73 | 28,300,000 | 33,381,100 | 118 |
| 3. F& F | 286,356,000 | 360,371,521 | 126 | 332,806,000 | 386,280,103 | 116 |
| 4.Lin. | 41,906,000 | 35,657,400 | 85 | 35,989,000 | 19,945,200 |
| 5.Rent | 6,420,000 | 1,708,000 | 27 | 2,392,000 | 942,000 | 55 |
| 6.Grants | 1,585,550,395 | 1,100,362,397 | 69 | 2,637,397,630 | 1,532,162,400 | 58 |
| 7.Invest. | 31,000,000 | 2,816,620 | 9 | 5,400,000 | 11,364,991 | 210 |
| 8.Misc. | 17,730,000 | 22,709,660 | 128 | 26,580,000 | 44,555,420 | 168 |
| TOTAL | 2,022,162,395 | 1,559,365,418 | 77 | 3,095,564,630 | 2,049,004,314 | 66 |

| SOURCE | 1999 | 2000 |
|-----------------------------------------------|-----------------------------------------------|
|        | ESTIMATED | ACTUAL | Actual % | ESTIMATED | ACTUAL | Actual % |
| 1.Rates | 29,000,000 | 17,848,156 | 62 | 7,960,000 | 7,346,512 | 92 |
| 2.Lands | 38,800,000 | 14,417,000 | 37 | 33,000,000 | 19,159,800 |
| 3. F& F | 804,020,000 | 740,207,819 | 92 | 1,879,515,000 | 1,090,119,096 | 58 |
| 4.Lin. | 64,000,000 | 32,203,301 | 50 | 78,445,600 | 37,154,343 | 47 |
| 5.Rent | 1,584,000 | 962,000 | 61 | 4,584,000 | 6,366,100 | 139 |
| 6.Grants | 2,741,136,541 | 1,422,353,410 | 52 | 6,123,160,000 | 2,218,373,598 | 36 |
| 7.Invest. | 18,000,000 | 25,147,907 | 140 | 25,000,000 | 2,295,000 | 1 |
| 8.Misc. | 32,048,000 | 27,354,523 | 85 | 18,520,800 | 47,198,000 | 254 |
| TOTAL | 1,261,565,654 | 2,280,494,116 | 181 | 7,699,118,400 | 3,494,012,449 | 45 |
making it increasingly crowded and increasing the waste, pollution, and degradation of the market area. Due to these increasingly dangerous circumstances, people are beginning to look elsewhere for market opportunities. Already, some surrounding towns have begun holding weekly markets, which are attracting vendors away from Techiman. The advent of these competing markets signals a more pressing need to reform how the Assembly reinvests market revenue into market infrastructure.

Taxes may also be levied on businesses and commercial property owners. A large portion of Techiman’s commercial tax comes from banks and cellular service providers. The Techiman Municipality has 34 banks, including several international institutions, such as Barclay’s Bank, Standard Charter Bank and Merchants Bank. In 2009, 21% of Techiman’s total revenue was made up of IGF. The remaining 79% was generated from DACF, DDF, and private-public partnerships, with the vast majority coming from DACF. Table 1 shows the TMA revenue from 1997 through 2000.

DACF: District Assembly Common Fund
The DACF is money disseminated from Ghana’s central government to the district assemblies. Currently, 5% of the total central government revenue is earmarked for DACF funds. 50% of the DACF is allocated according to a district’s population. The other 50% of the DACF is allocated based on an elaborate equation that takes into account district population, population density, poverty level (needs assessment), and management capacity. The management capacity, which has a 5% weight of the remaining 50%, is influenced by a district’s IGF. Unfortunately, the DACF calculation is not only complex, but the allocation process is opaque. The DACF is consistently released late, which pushes back how districts may use the funds and how they can plan their fiscal years. Lastly, the DACF is unreliable. As seen in Table 1, the total DACF funds that the Techiman Municipality received from 1997 through 2000 was consistently below the expected amount. The upshot of the unreliable and unpredictable DACF is not just a negative impact on planning; it also means that IGF is used up as it comes in, leading to the additional problem of market maintenance. The funds generated by the market are not retained for maintenance and repair because they need to go towards more immediate recurring costs, allowing the market to fall deeper into disrepair.

There is an outstanding problem related to both financial development and physical and development planning in Ghana. This is the problem of land tenure, which, though I will not be able to address in this paper, poses a significant challenge to planning initiatives and merits further research and explanation.

CONCLUSION
As stated at the outset, the goal of this paper was to compare decentralization process in Ghana with Faletti’s 2005 Sequential Theory of Decentralization. Based on my field research in Ghana and a review of decentralization literature, I believe that Ghana’s decentralization process is largely administrative in nature and the central government retains a substantial amount of political and fiscal control over local affairs. Although the Ghanaian government has incorporated decentralization into the country’s strategic development plans, there is resistance to moving toward a fully democratically-elected local government and a severe lack of transparency between the district governments and central governments in regard to financial transfers. Furthermore, changes in 2007 to the Regional Coordinating Council recentralized fiscal power and service procurement to centrally-appointed actors. This trend is not uncommon in sub-Saharan Africa. Based on findings from the United Nations Global Urban Observatory, Helmsing (2005) found the following:

- In 19 out of 27 Sub-Saharan African surveyed countries, the central governments have the power to close down local governments.
- In only 10 out of 27 countries do local governments know what transfers will be received from central government (Ghana is counted in the countries where local governments do know what transfers will be provided).
- In only 9 of 27 countries do local governments have full autonomy to select their own contractors for infrastructure projects.

Reasons for the failure or delay of decentralization include ethnic tensions which could destabilize local governments,

36 Blighton 2010
37 LOGnet 2007, 57
38 LOGnet 2007, 58
39 Awortwi, 2011, 368
40 Helmsing 2005 13-19
concerns of elite capture, lack of human resource capacity at the local level, and the central government’s own financial hardship. I believe that in Techiman the history of cohesion amongst a diverse population, the stable management of the Techiman Market and the stunning score (96/100) on the World Bank’s Functional Organization Assessment Tool, may demonstrate that responsible decentralization is an achievable goal in Ghana. However, more research is necessary before we can know exactly how applicable the lessons of Techiman can be to other regions of the country. The presence of the market and a highly-motivated administrative staff and dynamic traditional leaders could make Techiman an incomparable case. Speculatively, I believe that an increase in financial transparency and democratically-elected lawmakers would increase the effectiveness of decentralization throughout the country. As money in the form of aid, investment, and private capital increasingly flows into Ghana, it is necessary for local governments to be able to respond to the needs of the people. By decentralizing authority and finances, Ghanaians will be able to determine their own development path and marginalize the few who would control and manipulate the country’s rise.

Works Cited


