

On sustainable agriculture by WISER  
The Social Network on Sustainability  
(<http://www.wiserearth.org/aof/195>)

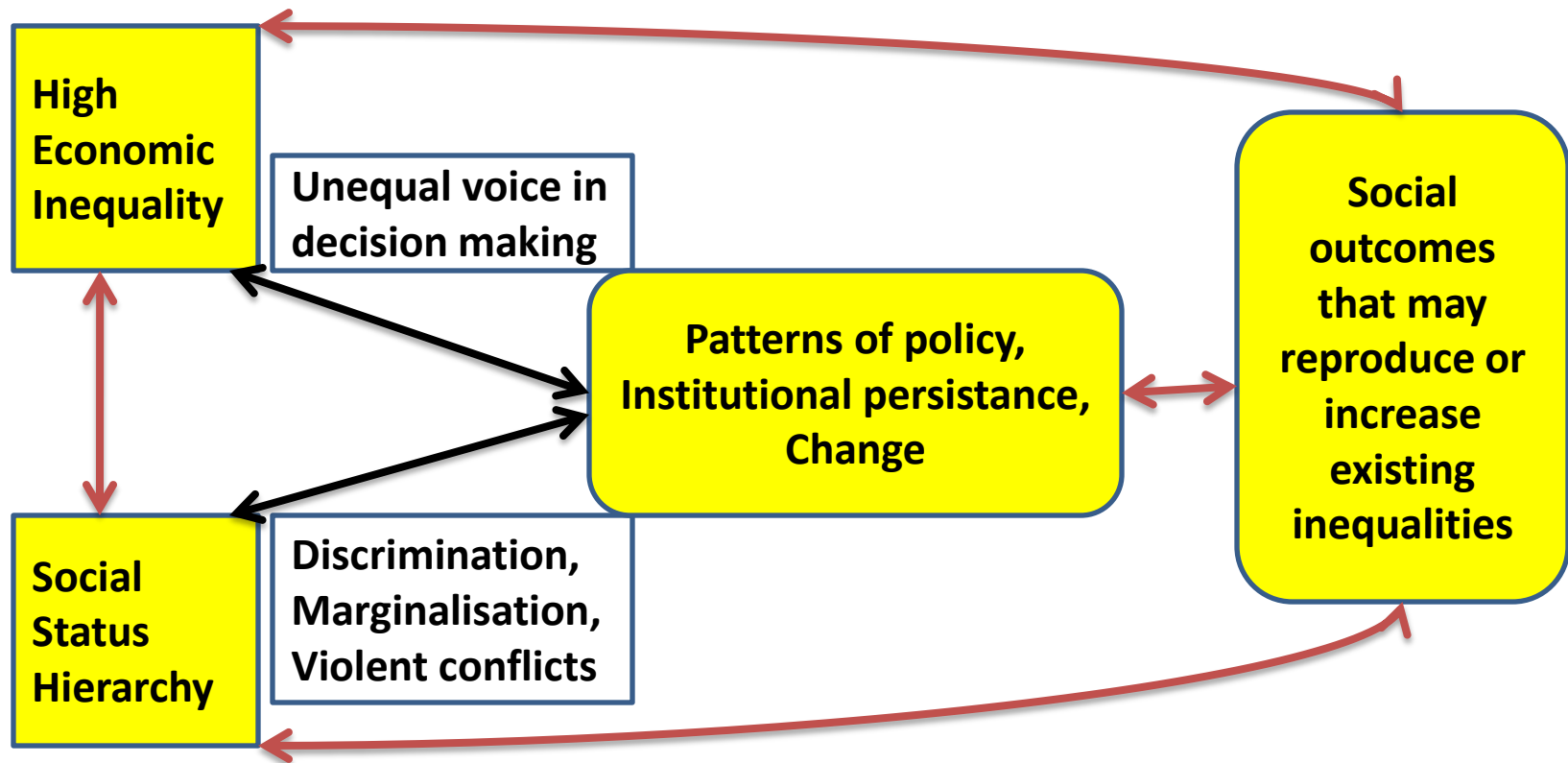
Sustainable agriculture (SA) requires the reorganization of **producers, buyers, investors, regulators, traders, wholesalers, retailers, and consumers** as well as **commodity financial agents**.

Sustainable world agriculture works toward breaking **perverse incentives** and **practices that encourage soil depletion** and **agribusiness favoritism**, promotes **water conservation, higher producer incomes**, and **protection of biodiversity**.

- Sustainable Urban and Peri-Urban Agriculture (UPA) is part of SA, and therefore requires reorganization of the agents and agencies involved in it.
- individual approach?
- cooperative approach?
- agribusiness approach?
- communitary approach?
- ...a different approach?

Based on: [American Political Science Association](#) (2008) , *“The Persistent Problem: Inequality, Difference, and the Challenge of Development,”*

## Inequality, Social Hierarchy and **the Persistence of Inequality as a feedback loop**



## Ghana: macroeconomic, macro social and macro political conditions

The Ghanaian economy is totally dependent on foreign aid from the World Bank, the IMF and donor countries and agencies.

As in other developing countries, most of this aid is tied to projects chosen by the donor.

This arrangement reinforces dependency, and prevents the country from investing these financial resources in sectors that are critical for improving the lives of its citizens.

[From Social Watch reports](#)

- Ghana's dependence on foreign aid and international financial institutions over the last three decades or more has led to
- **Mass unemployment, huge balance of payments deficits and low manufacturing and agricultural output.**
- The 1992 constitution and other national, regional and international instruments provide the legal basis and specific policies to enhance the welfare and protection of women and children.
- **However, the Government's minimal investment in education, health, water resources and rural development show the low priority it places on these goals.**
- The likelihood of achieving the Millennium Development Goals by 2015 remains remote.

[From Social Watch reports](#)

**The figures** 

**Ghana: macroeconomic, macro social and macro political conditions**

The Ghanaian economy is totally dependent on foreign aid from the World Bank, the IMF and donor countries and agencies.

As in other developing countries, most of this aid is tied to projects chosen by the donor.

This arrangement reinforces dependency, and prevents the country from investing these financial resources in sectors that are critical for improving the lives of its citizens.

[From Social Watch reports](#)

**Domestic Absorption** = government expenditure (G) + household consumption (C) + gross investment (I) as % of GDP

| year | G    | C    | I    | GDP   | G+C+I |
|------|------|------|------|-------|-------|
| 1990 | 10.9 | 85.5 | 12.3 | 100.0 | 108.7 |
| 1995 | 12.1 | 75.1 | 21.1 | 100.0 | 108.3 |
| 2000 | 17.0 | 77.6 | 24.0 | 100.0 | 118.6 |
| 2008 | 16.8 | 84.2 | 36.0 | 100.0 | 137.0 |

**Production structure of GDP** = Agriculture (Ag), Industry (Ind), Manufacturing (Mng) and Services (Sv) as % of GDP

| year | Ag   | Ind  | (Mng) | SV   |
|------|------|------|-------|------|
| 1990 | 45.1 | 16.9 | 9.8   | 38.1 |
| 1995 | 42.7 | 26.7 | 10.3  | 30.6 |
| 2000 | 39.4 | 28.4 | 10.1  | 32.2 |
| 2008 | 36.5 | 29.5 | 7.9   | 34.0 |

( Data derived from UNCTAD Handbook of Statistics , 2010)

**The figures** 

## Ghana: macroeconomic, macro social and macro political conditions

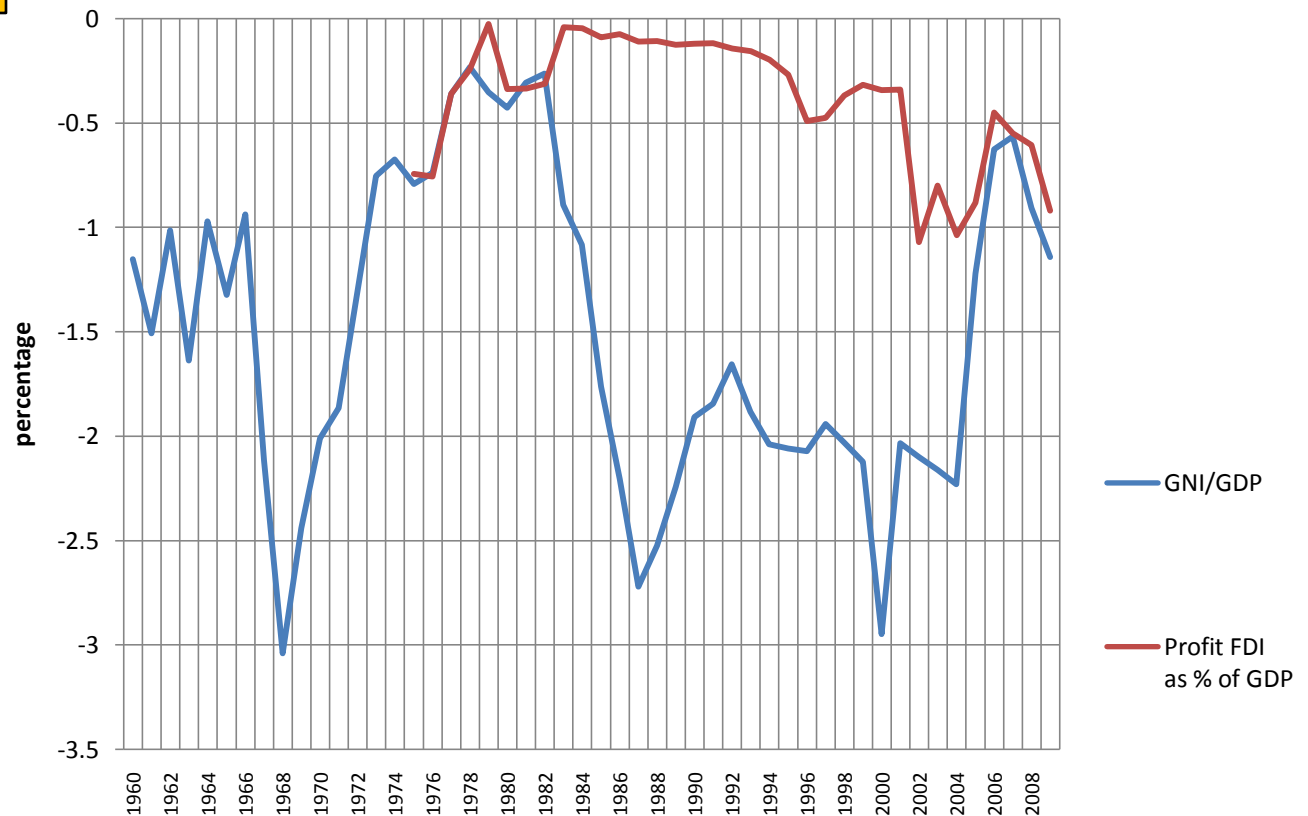
The Ghanaian economy is totally dependent on foreign aid from the World Bank, the IMF and donor countries and agencies.

As in other developing countries, most of this aid is tied to projects chosen by the donor.

This arrangement reinforces dependency, and prevents the country from investing these financial resources in sectors that are critical for improving the lives of its citizens.

[From Social Watch reports](#)

## Ghana: Factor Payments to Abroad as % of GDP

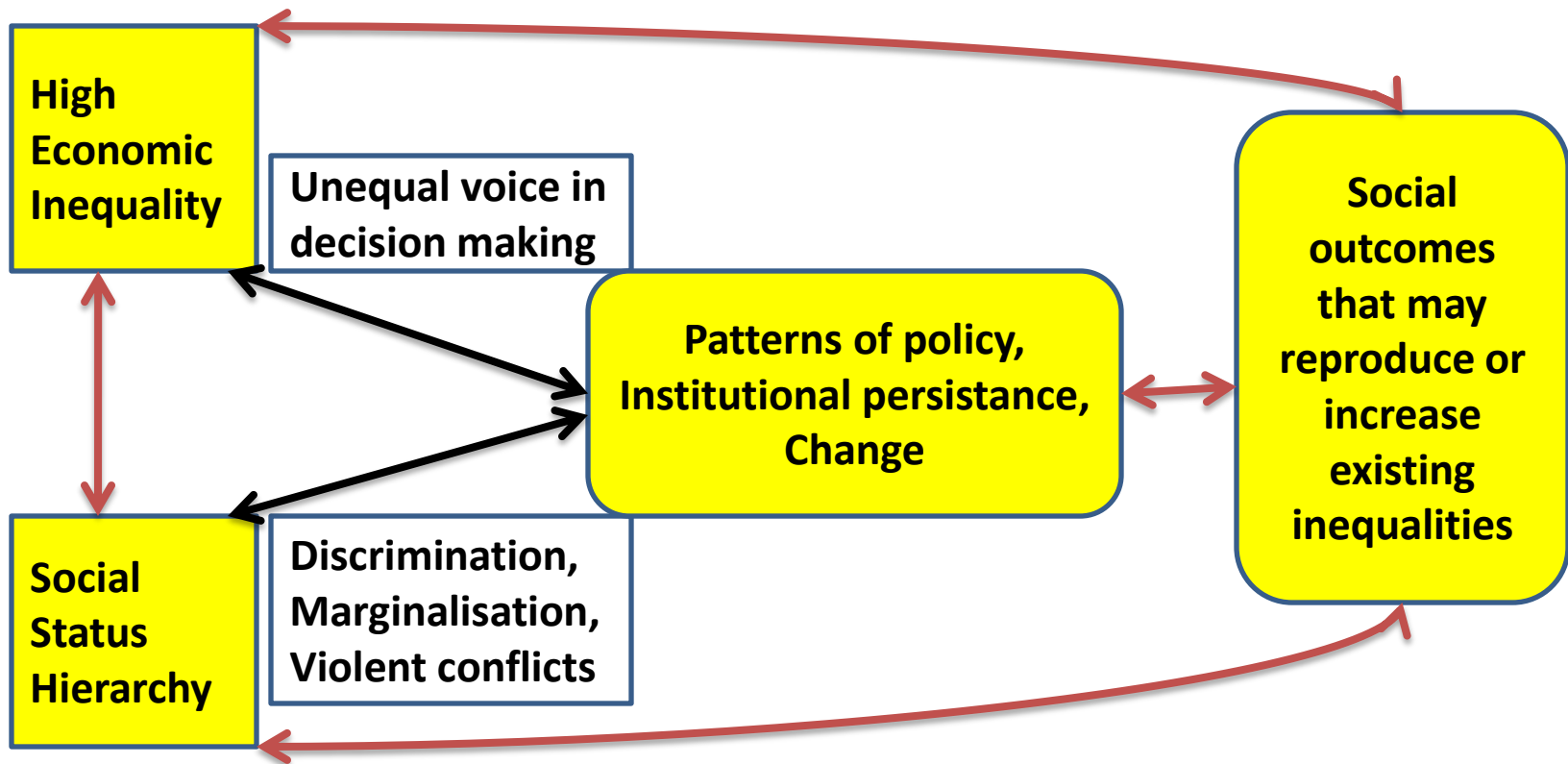


Source: World Development Indicators Databank, World Bank

The figures 

Based on: [American Political Science Association](#) (2008) , *“The Persistent Problem: Inequality, Difference, and the Challenge of Development,”*

## Inequality, Social Hierarchy and **the Persistence of Inequality as a feedback loop**



**Ghana: macroeconomic, macro social and macro political conditions**

Real earnings in 1990s were below those of 1980s and only a third of real earnings levels in the 1970s.

With the exception of the short period between 1988 and 1992...the downward trend in earnings has persisted since the 1970s.

The situation worsened during the structural adjustment period. Teal (1998)\* reported a 45 percent fall in real wages during the four-year period between 1992 and 1996.

\*Teal F. (1998) "The Ghanaian manufacturing sector: Firm growth, earnings, productivity, exports and investment" REP98-2, Centre for the study of African economies, University of Oxford.

Source: Trade Union Congress (Ghana), 2004, "Incomes in Ghana - Policy Discussion Paper", Global Policy Network, 2004

**Table A3: Mean (Daily)\* Household and Per Capita Income by Quintile**

Note: Figures are for March, 1999

\*Daily incomes are calculated by dividing the annual income by 365.

Source: Ghana Living Standard Survey GLSS 4 (1999)

| Quintile   | Mean Daily Household Income (US\$) | Mean Daily per Capita Income (US\$) |
|------------|------------------------------------|-------------------------------------|
| Lowest     | 1.12                               | 0.19                                |
| Second     | 2.02                               | 0.38                                |
| Third      | 2.29                               | 0.48                                |
| Fourth     | 3.06                               | 0.75                                |
| Fifth      | 3.46                               | 1.24                                |
| <b>All</b> | <b>2.59</b>                        | <b>0.60</b>                         |

**Mean Daily per Capita US\$ 2000 in 2009: 0.92**

**Almost 70% of population earn equal or below the mean**

Source: World Development Indicators Databank

**The figures** 

## Ghana: macroeconomic, macro social and macro political conditions

Real earnings in 1990s were below those of 1980s and only a third of real earnings levels in the 1970s.

With the exception of the short period between 1988 and 1992...the downward trend in earnings has persisted since the 1970s.

The situation worsened during the structural adjustment period. Teal (1998)\* reported a 45 percent fall in real wages during the four-year period between 1992 and 1996.

\*Teal F. (1998) "The Ghanaian manufacturing sector: Firm growth, earnings, productivity, exports and investment" REP98-2, Centre for the study of African economies, University of Oxford.

Source: Trade Union Congress (Ghana), 2004, "Incomes in Ghana - Policy Discussion Paper", Global Policy Network, 2004

## Distribution of Formal sector Employment 1984-2000

Source: World Bank, "Trends in Major Policy Issues", Presentation, 2005

|                | 1984 | 1992 | 1998 | 2000 |
|----------------|------|------|------|------|
| <b>Public</b>  | 63.0 | 58.1 | 54.7 | 51.0 |
| <b>Private</b> | 37.0 | 41.9 | 45.3 | 49.0 |

## Share of Informal sector Employment in total empl. 1984-2000

Source: World Bank, "Trends in Major Policy Issues", Presentation, 2005

|  | 1984 | 1992 | 1998 | 2000 |
|--|------|------|------|------|
|  | 83.8 | 88.4 | 86.3 | 80.3 |

## Unemployment rates 1984-200

Source: World Bank, "Trends in Major Policy Issues", Presentation, 2005

| 1984 | 1987 | 1988 | 1991 | 1998 | 2000 |
|------|------|------|------|------|------|
| 2.8  | 1.6  | 0.8  | 4.7  | 8.2  | 10.4 |

**Year 2000 -Accra: 16.6% - Urban: 13.4 – Rural 5.5**

The figures 



**Ghana: macroeconomic,  
macro social and macro  
political conditions**

Real earnings in 1990s were below those of 1980s and only a third of real earnings levels in the 1970s.

With the exception of the short period between 1988 and 1992...the downward trend in earnings has persisted since the 1970s.

The situation worsened during the structural adjustment period. Teal (1998)\* reported a 45 percent fall in real wages during the four-year period between 1992 and 1996.

\*Teal F. (1998) "The Ghanaian manufacturing sector: Firm growth, earnings, productivity, exports and investment" REP98-2, Centre for the study of African economies, University of Oxford.

Source: Trade Union Congress (Ghana), 2004, "Incomes in Ghana - Policy Discussion Paper", Global Policy Network, 2004

**Economic growth 1984-2000: 4.8%**  
**Employment growth 1984-2000: 3.1%**  
**Labour force growth 1984-2000: 5.8%**

**Formal sector capable of absorbing only 2% of the new jobs seekers**

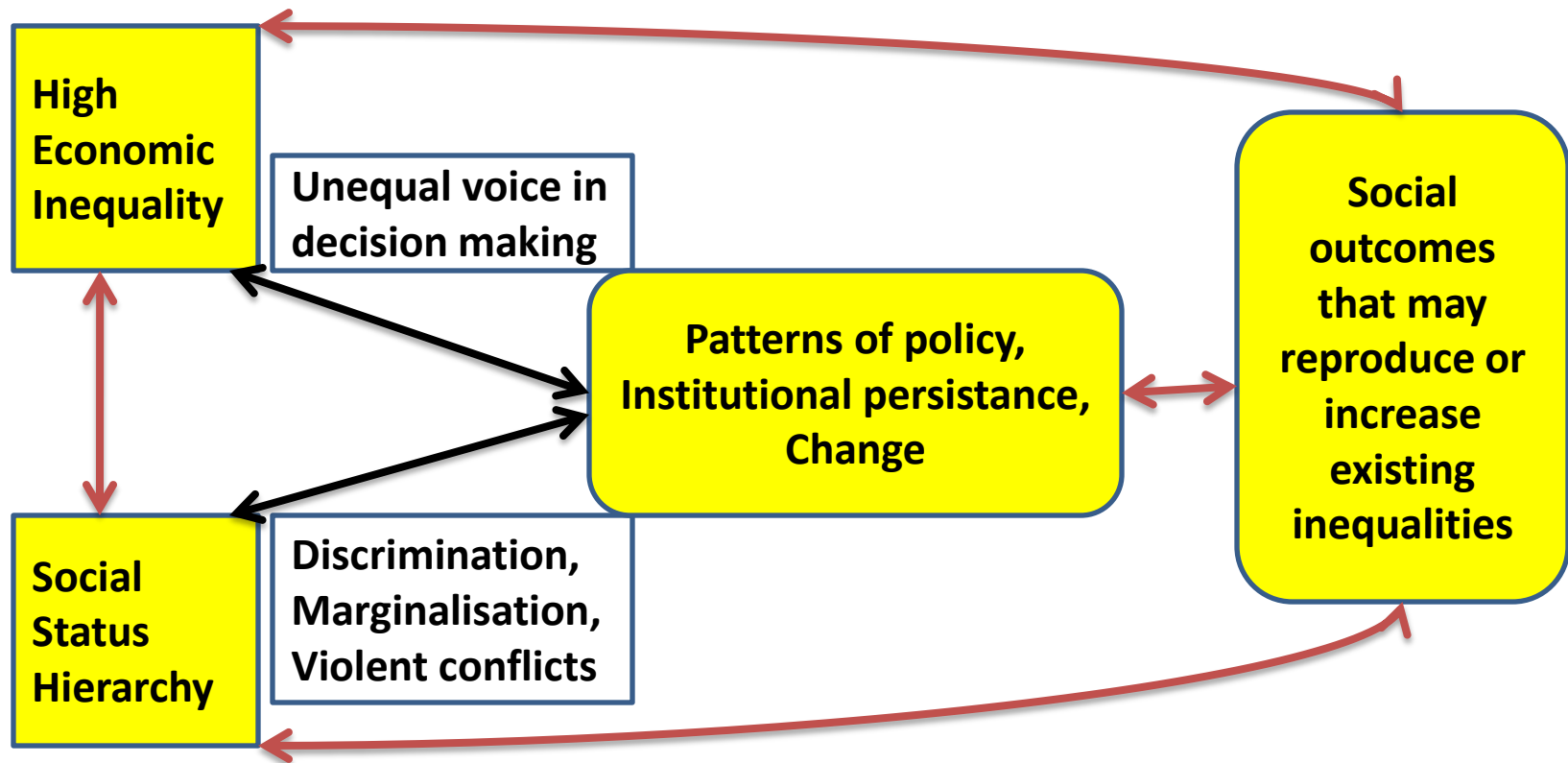
**Share of income held by richest 10% and poorest 10%**

|                    | 1994        | 2006        |
|--------------------|-------------|-------------|
| Richest 10%        | <b>30.0</b> | <b>32.8</b> |
| Poorest 10%        | <b>2.8</b>  | <b>1.9</b>  |
| Difference (times) | <b>10.7</b> | <b>17.3</b> |

Source: World Bank, "Trends in Major Policy Issues", Presentation, 2005

Based on: [American Political Science Association](#) (2008) , *“The Persistent Problem: Inequality, Difference, and the Challenge of Development,”*

## Inequality, Social Hierarchy and **the Persistence of Inequality as a feedback loop**



**On free markets and the threat to basic food rights : Urban and Peri -Urban Agriculture in Ghana in the eye of a perfect storm**

Sustainable agriculture (SA) requires the reorganization of **producers, buyers, investors, regulators, traders, wholesalers, retailers, and consumers** as well as **commodity financial agents**.

Sustainable world agriculture works toward breaking **perverse incentives** and **practices that encourage soil depletion** and **agribusiness favoritism**, promotes **water conservation, higher producer incomes**, and **protection of biodiversity**.

- Land tenure, both in rural and urban areas is at the centre of the socio-economic tensions in the Ghanaian social formation
- In rural areas, where the majority of Ghanaians and the poor live, growing landlessness and insecurity of tenure are the main economic tension.
- In urban areas, ownership of land for the poor to build houses and/or developing urban agriculture is blocked by the state and rich individuals arguing the need of developing the urban area.

[From Social Watch reports](#)

**On free markets and the threat to basic food rights : Urban and Peri -Urban Agriculture in Ghana in the eye of a perfect storm**

Sustainable agriculture (SA) requires the reorganization of **producers, buyers, investors, regulators, traders, wholesalers, retailers, and consumers** as well as **commodity financial agents**.

Sustainable world agriculture works toward breaking **perverse incentives** and **practices that encourage soil depletion** and **agribusiness favoritism**, promotes **water conservation, higher producer incomes**, and **protection of biodiversity**.

- “Conflict in state-society relations over land have been mainly generated by government expropriation of mineral and timber resources in the countryside and building land in the urban areas.”
- Since the 1980s there has been a new boom in large-scale surface mining by gold TNCs...on concessions granted by the State involving the expropriation of communities. People have been physically displaced from homes and farms to make way for mines.

[From Social Watch reports](#)

**On free markets and the threat to basic food rights : Urban and Peri -Urban Agriculture in Ghana in the eye of a perfect storm**

Sustainable agriculture (SA) requires the reorganization of **producers, buyers, investors, regulators, traders, wholesalers, retailers, and consumers** as well as **commodity financial agents**.

Sustainable world agriculture works toward breaking **perverse incentives** and **practices that encourage soil depletion** and **agribusiness favoritism**, promotes **water conservation, higher producer incomes**, and **protection of biodiversity**.

- “A much larger problem of insecurity is posed by the manner in which chiefs and family elders have evolved into de facto landowners dealing in communal land as if it were their private property.”
- “While new migrants find it harder to access land, generations of migrants who have acquired right and settled into communities increasingly find themselves objects of exclusion.”
- “...mass formal unemployment, growing landlessness and insecurity of tenure and the upsurge of crime are growing threats to Ghanaians’ human security.”

[From Social Watch reports](#)

**On free markets and the threat to basic food rights : Urban and Peri -Urban Agriculture in Ghana in the eye of a perfect storm**

Sustainable agriculture (SA) requires the reorganization of **producers, buyers, investors, regulators, traders, wholesalers, retailers, and consumers** as well as **commodity financial agents**.

Sustainable world agriculture works toward breaking **perverse incentives** and **practices that encourage soil depletion** and **agribusiness favoritism**, promotes **water conservation, higher producer incomes**, and **protection of biodiversity**.

- “Government investments have spurred a boom in export industries, primarily timber and cocoa production, where the work force is predominantly **male**...
- ...at the same time, the government has offered little support to basic food industries that are traditionally **women’s** responsibility.
- ...as a result, crops for domestic consumption, livestock and fishing are all stagnated...
- Growing maize = 2,000,000 households (56.3%)
- Peanuts = 604,100 households (17.0%)
- Rice crops = 361,400 households (10.2%)
- Cocoa = 584,400 households (16.5%)

[From Social Watch reports](#)

**On free markets and the threat to basic food rights : Urban and Peri -Urban Agriculture in Ghana in the eye of a perfect storm**

Sustainable agriculture (SA) requires the reorganization of **producers, buyers, investors, regulators, traders, wholesalers, retailers, and consumers** as well as **commodity financial agents**.

Sustainable world agriculture works toward breaking **perverse incentives** and **practices that encourage soil depletion** and **agribusiness favoritism**, promotes **water conservation, higher producer incomes, and protection of biodiversity**.

- In May 2001 the then Minister for Works and Housing Kwamena Bartels, speaking on behalf of President John Agyekum Kufour, admitted what was common knowledge:
- **'After 20 years of implementing structural-adjustment programmes, our economy has remained weak and vulnerable and not sufficiently transformed to sustain accelerated growth and development. Poverty has become widespread, unemployment very high, manufacturing and agriculture in decline and our external and domestic debts much too heavy a burden to bear.'**

Source: Rudolf Amenga-Etego, 2003, **"Stalling the Big Steal"**, New Internationalist, Issue 354, 3 March 2003. The author is a farmer by upbringing, a lawyer by profession and an activist for social, political and economic justice by choice. He is the co-ordinator of the National Coalition Against the Privatization of Water, in Ghana.

## So, we come back to where we began....

On sustainable agriculture by WISER  
The Social Network on Sustainability  
(<http://www.wiserearth.org/aof/195>)

Sustainable agriculture (SA) requires the reorganization of **producers, buyers, investors, regulators, traders, wholesalers, retailers, and consumers** as well as **commodity financial agents**.

Sustainable world agriculture works toward breaking **perverse incentives** and **practices that encourage soil depletion** and **agribusiness favoritism**, promotes **water conservation, higher producer incomes**, and **protection of biodiversity**.

- Sustainable Urban and Peri-Urban Agriculture (UPA) is part of SA, and therefore requires reorganization of the agents and agencies involved in it.
- individual approach?
- cooperative approach?
- agribusiness approach?
- communitary approach?
- ...a different approach?



On sustainable agriculture by WISER  
The Social Network on Sustainability  
(<http://www.wiserearth.org/aof/195>)

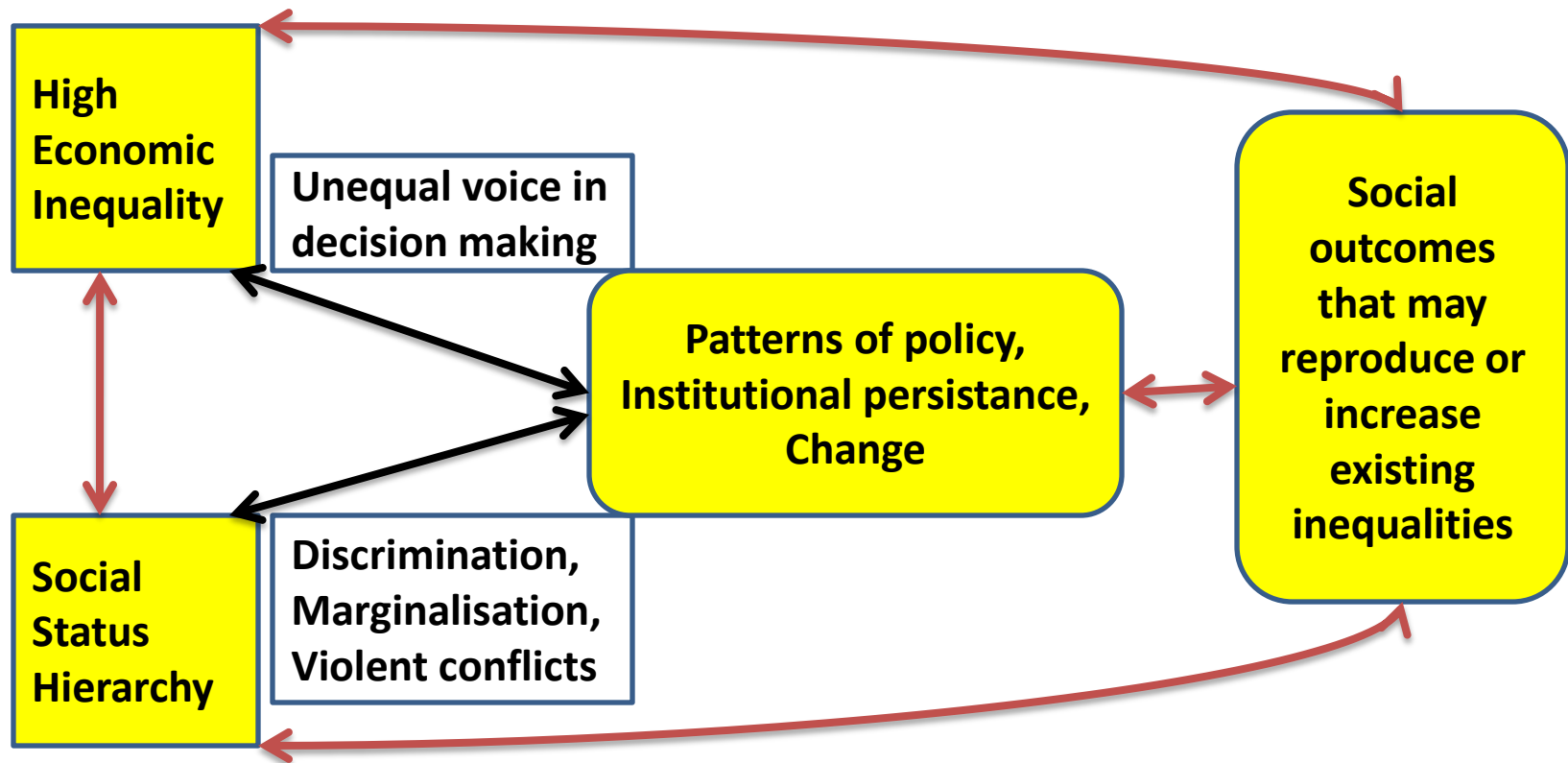
Sustainable agriculture (SA) requires the reorganization of **producers, buyers, investors, regulators, traders, wholesalers, retailers, and consumers** as well as **commodity financial agents**.

Sustainable world agriculture works toward breaking **perverse incentives** and **practices that encourage soil depletion** and **agribusiness favoritism**, promotes **water conservation, higher producer incomes**, and **protection of biodiversity**.

- **So, implementing Urban and Peri-Urban Agriculture with what political purpose, apart from the obvious environmental and economic purposes?...**
- **Complementing the state and its economic, social and political supporters?**
- **Opposing the state and its economic, social and political supporters?**
- **Reforming the state and its economic, social and political supporters?**

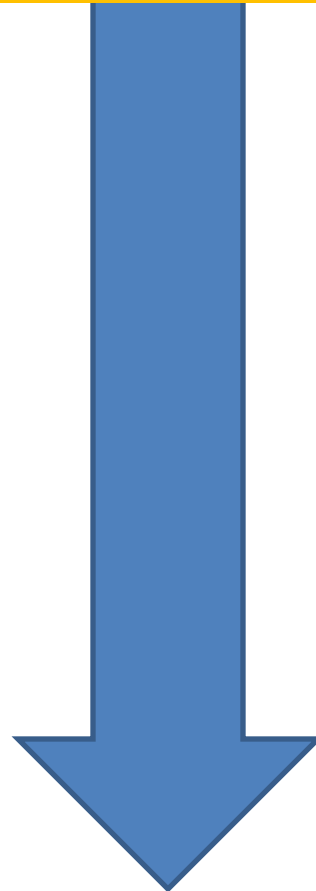
Based on: [American Political Science Association](#) (2008) , *“The Persistent Problem: Inequality, Difference, and the Challenge of Development,”*

## Inequality, Social Hierarchy and **the Persistence of Inequality as a feedback loop**



**This slide presentation and the literature reviewed are available at The Róbinson Rojas Archive**

**[www.rrojasdatabank.info/supplepack1.htm](http://www.rrojasdatabank.info/supplepack1.htm)**



Additional information  
after this slide

**The end**

## Food insecurity in Ghana in 2010

**Accra, Oct. 16, 2010, Ghana News Agency** - Mr Kwesi Ahwoi, Ghana Minister of Food Agriculture, noted at the weekend that although the country is self-sufficient in the production of staple foods it is deficient in the cultivation of cereals.

**"We produce**

**35 per cent of our rice requirement,**

**90 per cent of maize.**

**50 per cent of our cereal requirement and**

**30 per cent of the raw materials needed for our agro-based industries," ...**

**"34 per cent of households in the Upper West,**

**15 per cent in the Upper East,**

**10 per cent in the Northern Region,**

**7 per cent in Ashanti Region and**

**3-4 per cent in the rural areas of Central, Eastern and Volta regions**

**suffer food insecurity", he said**

He indicated that Ghana's government is collaborating with stakeholders in **an effort to minimise the food insecurity and under nourishment status of the country.**

## Ghana: Economic growth without development

Ghana consistently recorded a 5% GDP growth for over a decade **without any significant reduction in the incidence of poverty.**

- Low incomes remain one of the main features of the labour market in Ghana.
- **After almost 20 years of structural adjustment, many Ghanaians still earn less than \$1.00 a day.**
- The Ghana Living Standard Survey (GLSS4, 1998/99) found that an **average individual** in the poorest 20 percent of the Ghanaian population earned US\$69 per annum while an **average household** in the poorest 20 percent of the population earned \$409 per annum.
- The national **average household** income and **per capita incomes** were \$947 and \$220 respectively.

Source: Trade Union Congress (Ghana), 2004, “**Incomes in Ghana - Policy Discussion Paper**”, Global Policy Network, 2004

## Ghana: Economic growth without development

**Table 9: Formal Wage and Non-Formal Wage Employment by Sex and Total**

Source: Ghana Statistical Service (2000), *Ghana Living Standard Survey Report (GLSS 3 &4)*, Accra, Government of Ghana.

| <b>Type of work</b>               | <b>Percentages of Working population (1992)</b> |               |              | <b>Percentage of Working Population (1999)</b> |               |              |
|-----------------------------------|---|---------------|--------------|--|---------------|--------------|
|                                   | <b>Male</b>                                     | <b>Female</b> | <b>All</b>   | <b>Male</b>                                    | <b>Female</b> | <b>All</b>   |
| <b>Formal Wage employment</b>     | <b>20.7</b>                                     | <b>7.5</b>    | <b>13.6</b>  | <b>23.0</b>                                    | <b>6.2</b>    | <b>13.8</b>  |
| <b>Non-Formal Wage Employment</b> | <b>79.3</b>                                     | <b>92.5</b>   | <b>86.4</b>  | <b>77.0</b>                                    | <b>93.8</b>   | <b>86.2</b>  |
| <b>Total</b>                      | <b>100.0</b>                                    | <b>100.0</b>  | <b>100.0</b> | <b>100.0</b>                                   | <b>100.0</b>  | <b>100.0</b> |

## Ghana: Economic growth without development

In the early 1960s, Ghana's economy was among the strongest in the developing world. Its per capita GDP in 1960 estimated then at US\$1049 was higher than the per capita GDP in Korea...

- In the late 1960s the economy went into a very severe recession. The economic decline persisted throughout the 1970s to the early part of the 1980s. By 1983 the GDP had declined by 16 percent cumulatively representing an annual average decline of about 1.4 percent.
- Between 1971 and 1983, agricultural output declined by 11 percent, industrial production almost halved while cocoa production declined by 60 percent.
- To reverse the negative trend, the government of Ghana initiated an economic recovery programme in 1983 with the financial and technical support from the IMF and the World Bank. Since then the economy has been growing at an average annual rate of 4 percent.

Source: Trade Union Congress (Ghana), 2004, "**Incomes in Ghana - Policy Discussion Paper**", Global Policy Network, 2004

## Ghana: Economic growth without development

**Table 10: Share of Personal Emoluments in Government Discretionary Expenditure (1999 -2001)**

*Source:* ISSER (2002) *The State of Ghanaian Economy in 2001*, Accra, p 35& 44, Tables 2.5 & 2.9

|                           | 1999               |            | 2000                   |            | 2001                   |            |
|---------------------------|--------------------|------------|------------------------|------------|------------------------|------------|
|                           | %Total Expenditure | % of GDP   | % of Total Expenditure | % of GDP   | % of Total Expenditure | % of GDP   |
| <b>Wages and Salaries</b> | <b>21.5</b>        | <b>5.6</b> | <b>18.9</b>            | <b>5.2</b> | <b>31.3</b>            | <b>8.0</b> |

**Table 11: Share of Wages and Salaries in Government Total expenditure And GDP**

*Source:* ISSER (2002) *The State of Ghanaian Economy in 2001*, Accra, p44, Table2.9

Institute of Statistical, Social and Economic Research (2000) *The State of the Ghanaian Economy in 1999, 2000 & 2001*, University of Ghana, Legon.

| Year        | Percent Share of Personal Emoluments (%) | Share of PAYE in Income & Property Taxes (%) | Share of Taxes From Self-Employed In Income & Property taxes (%) |
|-------------|--|--|--|
| <b>1999</b> | <b>42.00</b>                             | <b>33.81</b>                                 | <b>6.63</b>  |
| <b>2000</b> | <b>37.20</b>                             | <b>34.97</b>                                 | <b>5.46</b>  |
| <b>2001</b> | <b>48.92</b>                             | <b>31.90</b>                                 | <b>5.36</b>  |



# Ghana: Economic growth without development

## *Importance of wages to government*

If wages constitute less than a quarter of average household income in Ghana and only a million workers (out of a population of 19 million) are wage earners, what makes wages so important in policy discussions?\*

...wages form a very significant percentage of government recurrent expenditure [see Tables 10 and 11].

In 2001, for example, personal emoluments constituted almost half of total government discretionary expenditure and 31.3 percent of total expenditure or 8 percent of GDP.

During the same period (2001), income taxes (P.A.Y.E) alone constituted a whopping 31.9 percent of total taxes on incomes and property as compared to 5.36 percent from self-employed.

Clearly, issues about wages in the formal sector are very important because of their serious implications for government budget, macroeconomic stability and poverty reduction in Ghana.

\* Wage earners are mainly workers in the public sector (civil servants, health, education, security, state-owned organisations and other government agencies) and in private formal sector in urban centres.

Source: Trade Union Congress (Ghana), 2004, “**Incomes in Ghana - Policy Discussion Paper**”, Global Policy Network, 2004

## Conclusions

It has been amply demonstrated that low and falling incomes as well as the growing inequality in incomes, particularly during 1980s and 1990s, can be attributed to government policies (fiscal, monetary and wage policies). Therefore, to address the problem of low income levels and the unequal income distribution in Ghana we need to reverse the effects of such policies. In the long term we need a higher economic growth to improve incomes and to achieve a significant poverty reduction. However, we hold a strong view that economic growth *per se* will not automatically improve incomes for all groups in the society hence our call for a comprehensive incomes policy that will ensure that economic growth, no matter how small it is, will benefit all the socio-economic groups in the Ghanaian society.

See ppt for 2005....

**Table 6: Components of household incomes in Ghana (1992 and 1999)**

Source: GLSS 3& 4 Report, 2000, Table 9.20 p.103.

| <b>Income Component</b>               | <b>Percentage of Total Income 1992</b> | <b>Percentage of total income 1999</b> |
|---------------------------------------|--|--|
| Wages (Income from employment)        | 16.9                                   | 22.8                                   |
| Income from agriculture               | 39.8                                   | 37.0                                   |
| Income from non-farm self-employment  | 35.0                                   | 31.3                                   |
| Income from rent (actual and imputed) | 1.2                                    | 2.0                                    |
| Income from net remittance            | 4.6                                    | 4.8                                    |
| Other income                          | 2.5                                    | 2.2                                    |

**Table 7: Distribution of Household Income by component, locality and quintile (Percent) -1999**

Source: GLSS4, Table 9.21, p.104 \*\*Figures are averages for the three Regions in the North

\*Figures are averages for the seven Regions in the South

|                    | Wage<br>Income | Household<br>Agricultural<br>Income | Non-farm<br>self-<br>employment<br>Income | Rent<br>Income | Remitt<br>ances | Other<br>Income | Total |
|--------------------|----------------|-------------------------------------|---|----------------|-----------------|-----------------|-------|
| <b>Region</b>      |                |                                     |   |                |                 |                 |       |
| <b>North**</b>     | 13.60          | 56.20                               | 21.53                                     | 3.23           | 3.1             | 2.3             | 100   |
| <b>South*</b>      | 19.95          | 37.82                               | 30.13                                     | 1.83           | 8.3             | 1.9             | 100   |
| <b>Rural/Urban</b> |                |                                     |   |                |                 |                 |       |
| <b>Urban</b>       | 32.3           | 10.3                                | 39.7                                      | 1.8            | 13.0            | 2.8             | 100   |
| <b>Rural</b>       | 13.7           | 54.0                                | 23.8                                      | 2.2            | 4.9             | 1.4             | 100   |
| <b>Quintile</b>    |                |                                     |   |                |                 |                 |       |
| <b>Lowest</b>      | 6.3            | 59.7                                | 20.4                                      | 4.1            | 7.6             | 1.9             | 100   |
| <b>Second</b>      | 13.4           | 53.1                                | 25.3                                      | 2.3            | 4.6             | 1.3             | 100   |
| <b>Third</b>       | 14.5           | 49.4                                | 26.9                                      | 2.2            | 5.4             | 1.5             | 100   |
| <b>Fourth</b>      | 23.0           | 36.9                                | 29.3                                      | 1.7            | 7.4             | 1.7             | 100   |
| <b>Highest</b>     | 29.0           | 20.3                                | 34.6                                      | 1.5            | 11.7            | 2.9             | 100   |
| <b>Total</b>       | 21.9           | 35.5                                | 30.0                                      | 1.9            | 8.5             | 2.1             | 100   |

## **Table 12: Average Monthly Earnings in US\$PPP (1992 to 1994 )**

Source: Teal (1998), p.18 Table 16 quoted from Arne Bigsten et al (1998) "Rate of return on physical and human capital in Africa's manufacturing sector, Centre for the Study of African Economies (CSAE), University of Oxford, Working Paper, WPS/98.12.  
Teal F. (2000) "Private sector wages and poverty in Ghana: 1988-1998" Working Paper, Centre for the study of African economies, University of Oxford.

| <b>Country/<br/>Level of<br/>Education</b> | <b>Ghana</b> | <b>Cameroon</b> | <b>Kenya</b> | <b>Zambia</b> | <b>Zimbabwe</b> |
|--|--------------|-----------------|--------------|---------------|-----------------|
| <b>University<br/>completed</b>            | 573          | 1115            | 1261         | 694           | 1302            |
| <b>Secondary<br/>completed</b>             | 211          | 522             | 384          | 239           | 402             |
| <b>Primary<br/>completed</b>               | 155          | 326             | 276          | 104           | 267             |
| <b>Primary not<br/>completed</b>           | 111          | 241             | 254          | 70            | 25              |
| <b>All</b>                                 | 170          | 467             | 333          | 176           | 328             |

**Table A3: Mean (Daily)\* Household and Per Capita Income by Quintile**

Note: Figures are for March, 1999

\*Daily incomes are calculated by dividing the annual income by 365.

Source: Ghana Living Standard Survey GLSS 4 (1999)

| <b>Quintile</b> | <b>Mean Daily Household income (cedis)</b> | <b>Mean Daily Household Income (US\$)</b> | <b>Mean Daily Per Capita Income (Cedis)</b> | <b>Mean Daily per Capita Income (US\$)</b> |
|-----------------|--|---|---|--|
| Lowest          | 2 682                                      | 1.12                                      | 455   | 0.19                                       |
| Second          | 4849                                       | 2.02                                      | 899   | 0.38                                       |
| Third           | 5504                                       | 2.29                                      | 1148  | 0.48                                       |
| Fourth          | 7323                                       | 3.06                                      | 1786  | 0.75                                       |
| Fifth           | 8288                                       | 3.46                                      | 2959  | 1.24                                       |
| <b>All</b>      | <b>6211</b>                                | <b>2.59</b>                               | <b>1444</b>                                 | <b>0.60</b>                                |

**Table 14: Cumulative Distribution of Population by Deciles of Incomes**

Source: GLSS 3& 4

| Deciles                              | Share of total income (percent) | Cumulative share of total income (percent) | Share of total income (percent) | Cumulative share of total income (percent) |
|--------------------------------------|---------------------------------|--|---------------------------------|--|
|                                      | 1992                            |  | 1999                            |  |
| <b>1<sup>st</sup> (lowest 10%)</b>   | <b>1.2</b>                      | <b>1.2</b>                                 | <b>0.3</b>                      | <b>0.3</b>                                 |
| <b>2<sup>nd</sup></b>                | <b>2.6</b>                      | <b>3.8</b>                                 | <b>1.2</b>                      | <b>1.5</b>                                 |
| <b>3<sup>rd</sup></b>                | <b>3.8</b>                      | <b>7.5</b>                                 | <b>2.3</b>                      | <b>3.8</b>                                 |
| <b>4<sup>th</sup></b>                | <b>4.9</b>                      | <b>12.5</b>                                | <b>3.4</b>                      | <b>7.2</b>                                 |
| <b>5<sup>th</sup></b>                | <b>6.1</b>                      | <b>18.6</b>                                | <b>4.8</b>                      | <b>12.0</b>                                |
| <b>6<sup>th</sup></b>                | <b>7.5</b>                      | <b>26.1</b>                                | <b>6.5</b>                      | <b>18.5</b>                                |
| <b>7<sup>th</sup></b>                | <b>9.3</b>                      | <b>35.4</b>                                | <b>8.8</b>                      | <b>27.3</b>                                |
| <b>8<sup>th</sup></b>                | <b>12.0</b>                     | <b>47.3</b>                                | <b>12.1</b>                     | <b>39.4</b>                                |
| <b>9<sup>th</sup></b>                | <b>16.7</b>                     | <b>64.0</b>                                | <b>18.5</b>                     | <b>57.5</b>                                |
| <b>10<sup>th</sup> (highest 10%)</b> | <b>36.0</b>                     | <b>100</b>                                 | <b>42.5</b>                     | <b>100</b>                                 |

# Ghana: Economic growth without development

## TRENDS IN ANNUAL MINIMUM WAGE (EXPRESSED IN US DOLLARS)

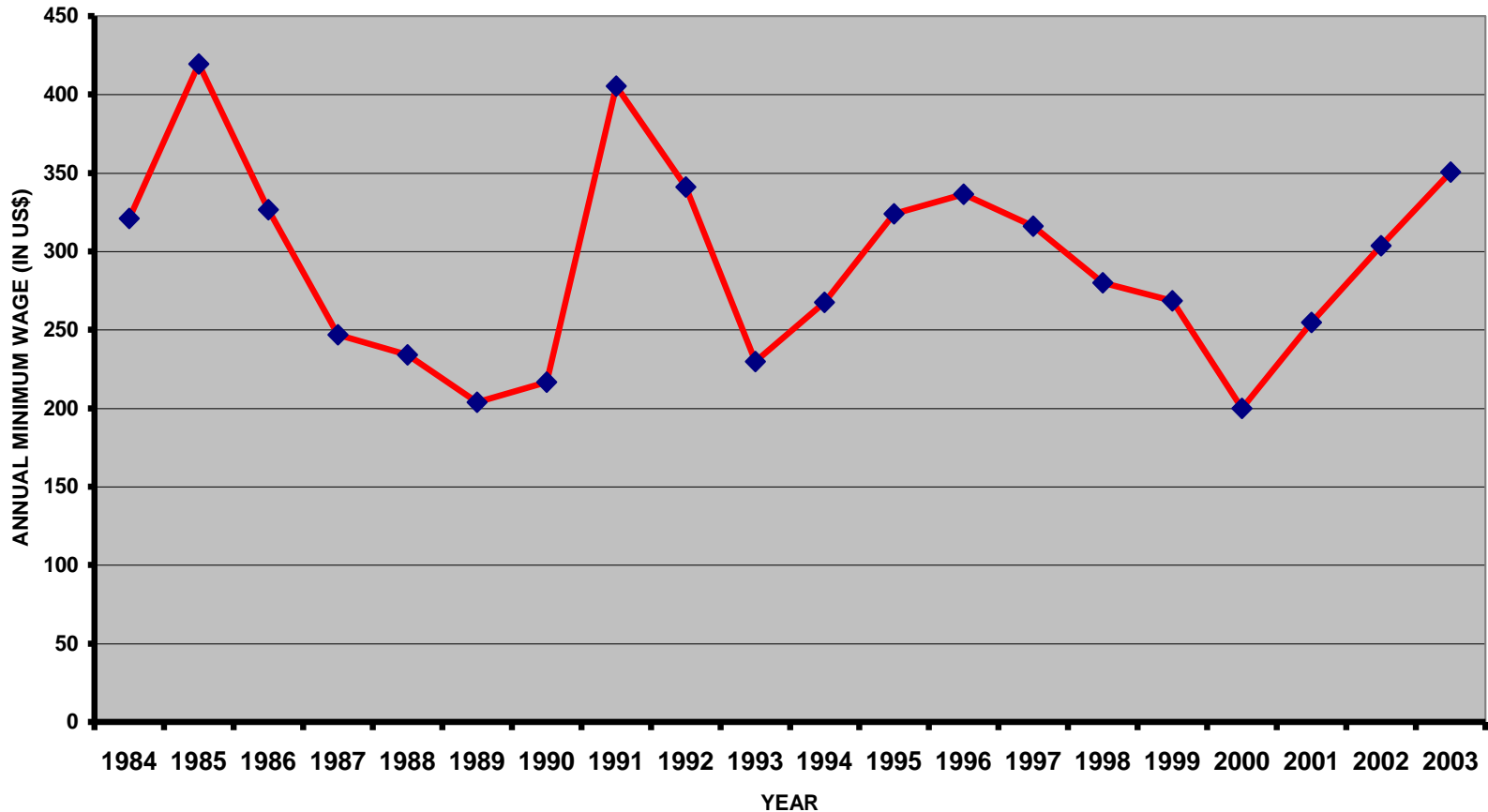


Figure A.1 in Trade Union Congress (Ghana), 2004, **“Incomes in Ghana - Policy Discussion Paper”**, Global Policy Network, 2004



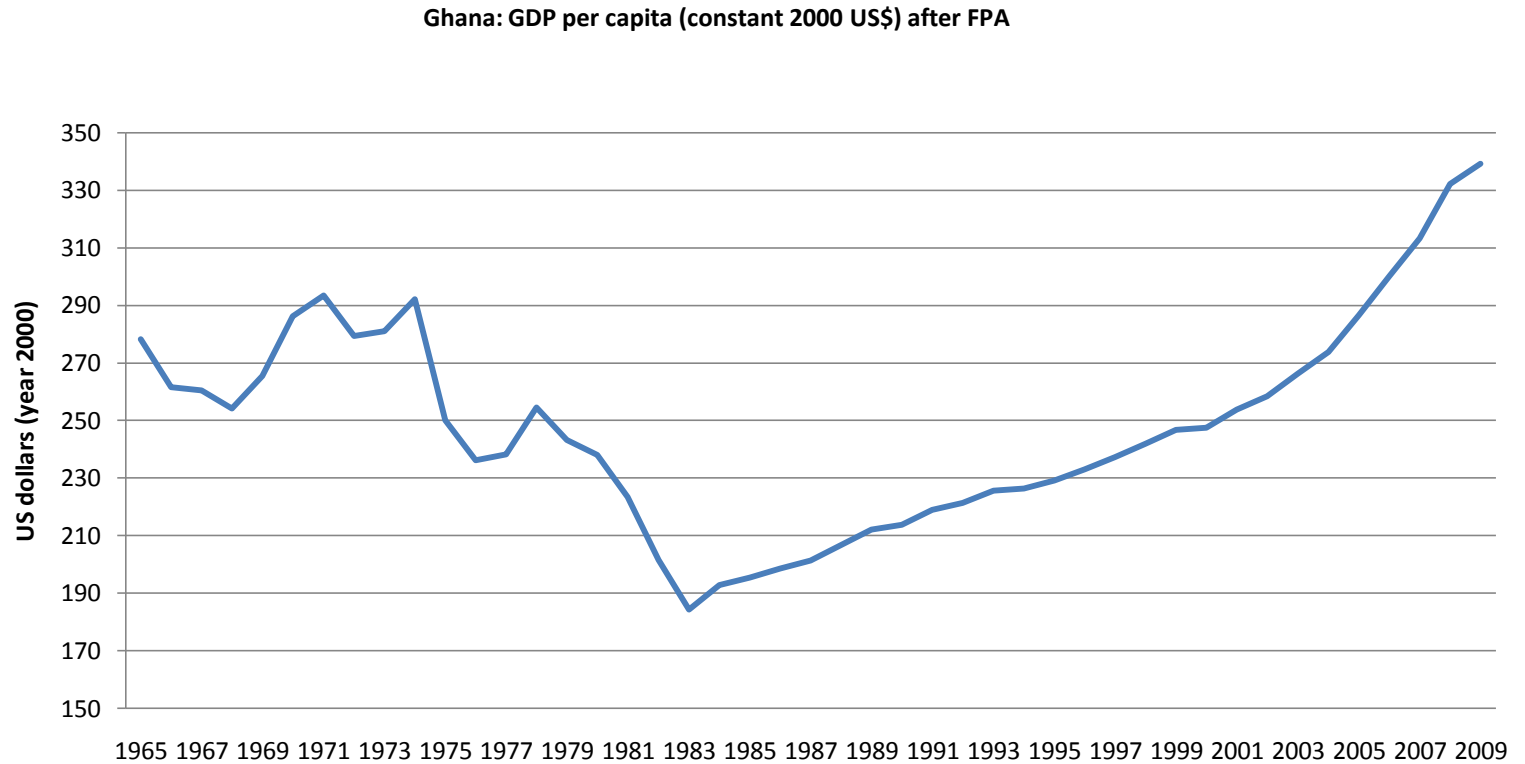
## Ghana: Economic growth without development

Farmers' constraints include:

- difficulties in accessing tractor services;
- high tractor service charges;
- high cost of tractors, with a 4 fold price increase in 2 years;
- unaffordable deposit requirements on tractors;
- untimely release of loans to the farmers by ADB;
- inadequate drying floors;
- lack of access to funds for infrastructure.
- High cost of spare-parts such as rollers and screens;
- lack of patios and de-stoners,
- competition from imported rice for large scale millers and
- inadequate skills and knowledge of processing machine operators

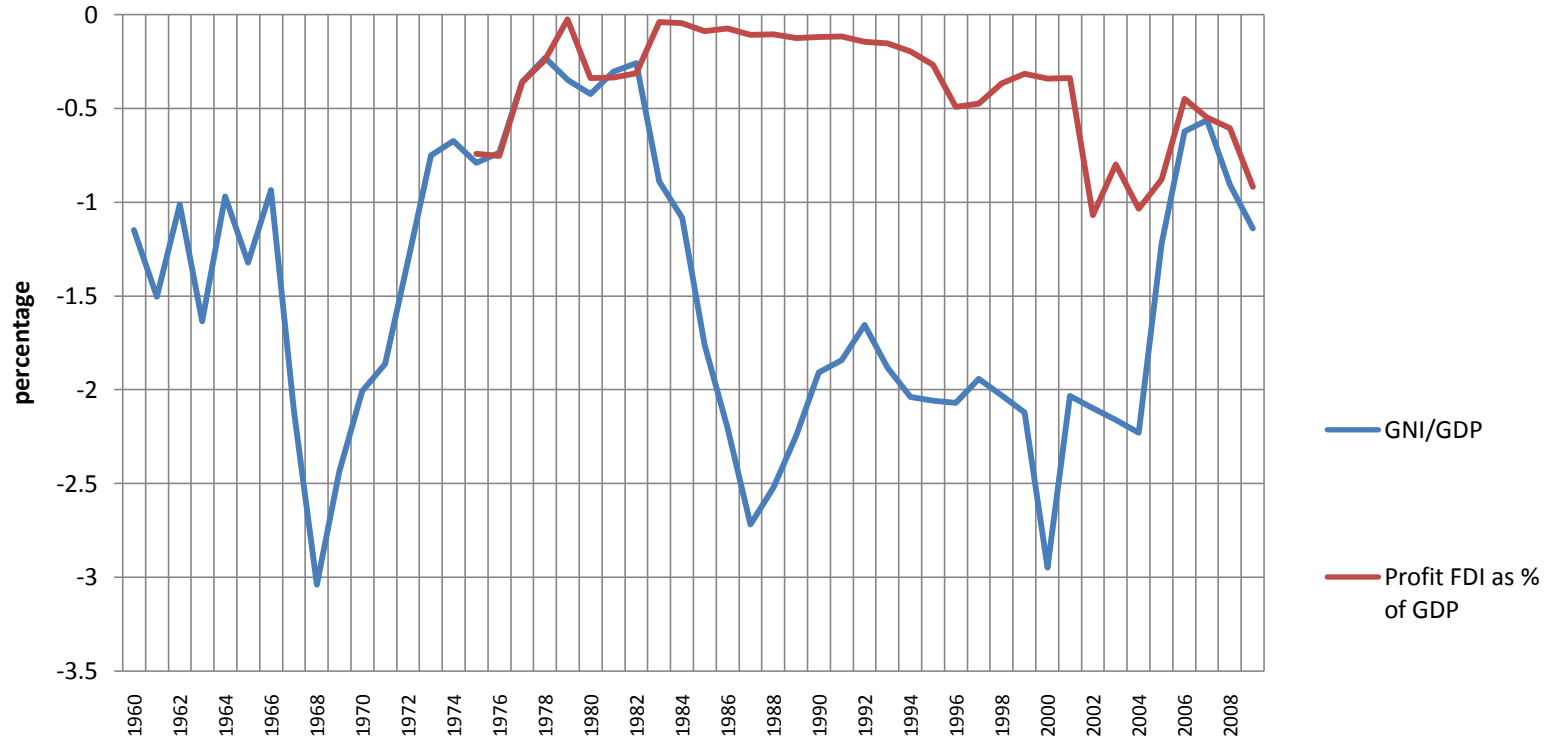
Source: **A. Dansson et al, 2004, "Strengthening farm-agribusiness linkages in Africa. Summary results of five country studies in Ghana, Nigeria, Kenya, Uganda and South Africa",** FAO, 2004.

# Ghana: Economic growth without development



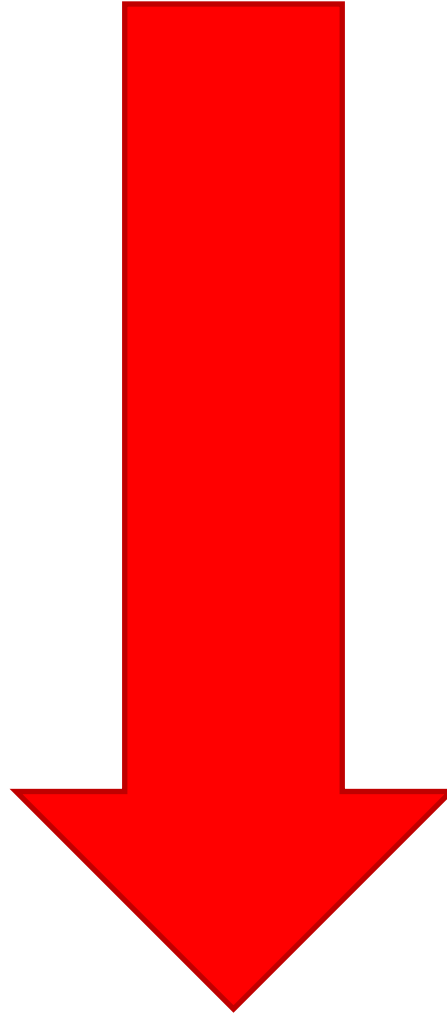
Source: World Development Indicators Databank

## Ghana: Factor Payments to Abroad as % of GDP



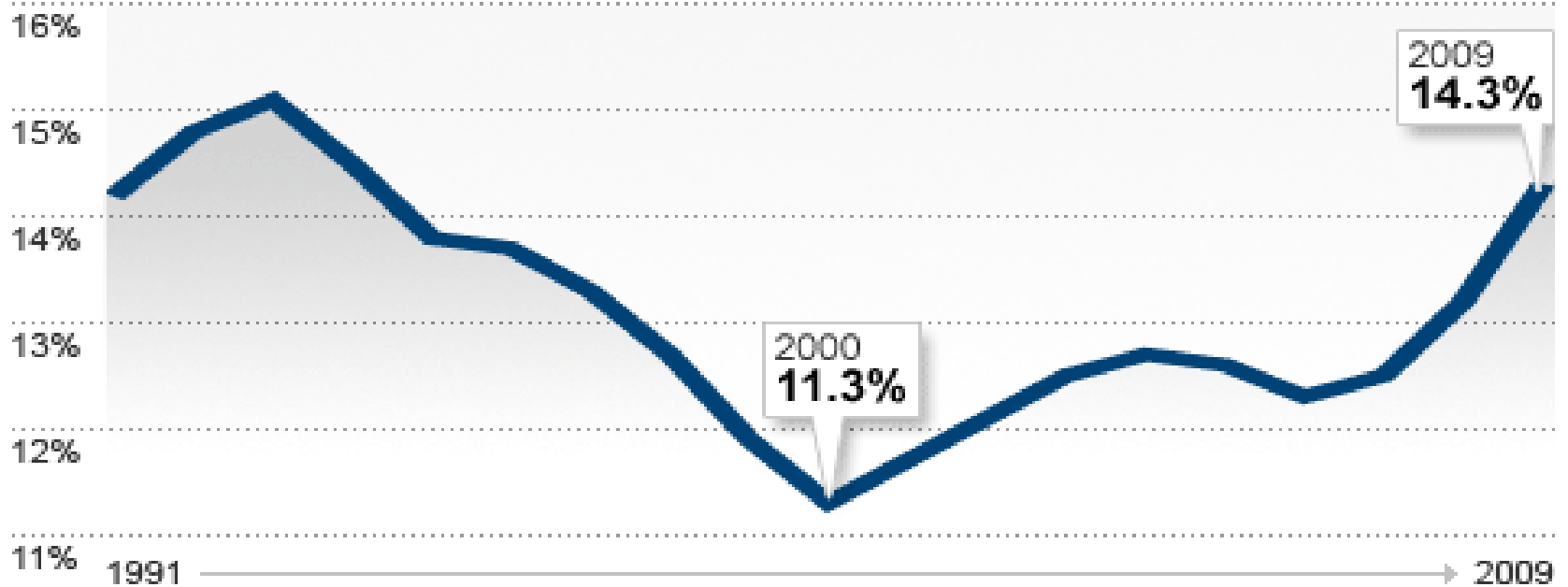
Source: World Development Indicators Databank, World Bank

## Data for United States of America for comparative purposes



## POVERTY RATE KEEPS CLIMBING

POVERTY LEVEL: \$21,854 FOR A FAMILY OF FOUR



SOURCE: U.S. CENSUS BUREAU

the dynamics of inequality with economic growth – the case of U.S.A.

**Value of minimum wages: US\$ 2007**

|                             |                  |
|-----------------------------|------------------|
| <b>1970s</b>                | <b>US\$ 7.12</b> |
| <b>1980s</b>                | <b>US\$ 6.38</b> |
| <b>1990s</b>                | <b>US\$ 6.18</b> |
| <b>2000s (through 2009)</b> | <b>US\$ 5.95</b> |

Source: "[The state of working America 2008-2009](#)", Economy Policy Institute, Washington, D.C.

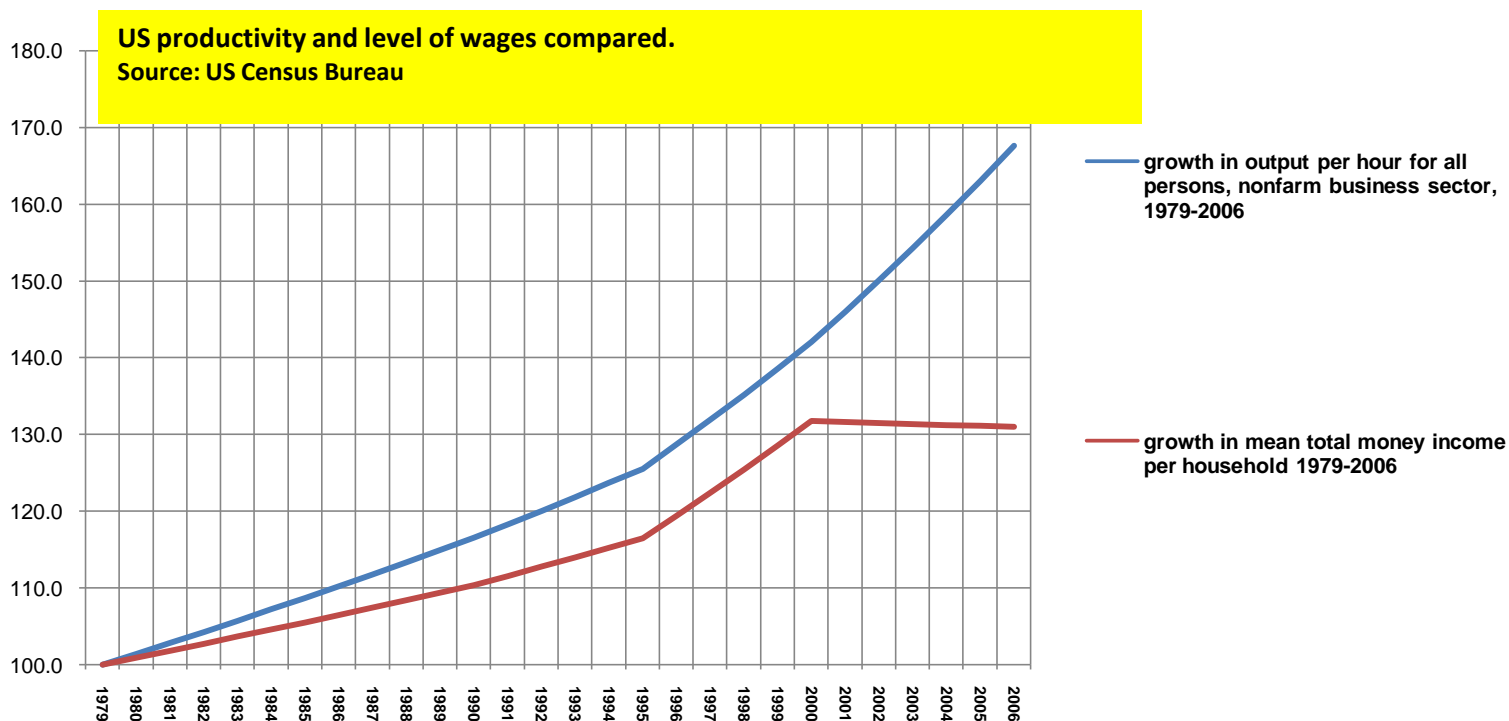
the dynamics of inequality with economic growth – the case of U.S.A.

**Weekly earnings of private production and nonsupervisory workers: US\$ 2007**

|             |                    |
|-------------|--------------------|
| <b>1973</b> | <b>US\$ 622.81</b> |
| <b>1979</b> | <b>US\$ 600.81</b> |
| <b>1995</b> | <b>US\$ 540.53</b> |
| <b>2007</b> | <b>US\$ 589.72</b> |

Source: "[The state of working America 2008-2009](#)", Economy Policy Institute, Washington, D.C.

## the dynamics of inequality with economic growth – the case of U.S.A.



Average growth 1979-2006:

Productivity: 1.93%

Mean total income: 1.00%



## Employment status of the civilian noninstitutional population, 1940 to 2009

Source: US National Bureau of Economic Research

### US business cycles: from peak to peak ( 10 cycles )

| Numbers in thousands  | 1945   | 2007    | Avg. growth |
|-----------------------|--------|---------|-------------|
| Civilian labour force | 53,860 | 153,124 | 1.699       |
| Employed              | 52,820 | 146,047 | 1.653       |
| Unemployed            | 1,040  | 7,078   | 3.141       |
| Not in labour force   | 40,230 | 78,743  | 1.089       |

| Numbers in thousands  | 1967   | 2007    | Avg. growth |
|-----------------------|--------|---------|-------------|
| Civilian labour force | 77,347 | 153,124 | 1.722       |
| Employed              | 74,372 | 146,047 | 1.701       |
| Unemployed            | 2,975  | 7,078   | 2.190       |
| Not in labour force   | 52,527 | 78,743  | 1.017       |

[back](#)

## USA.- Selected measures of household income dispersion: 1967 to 2008

Income in 2008 adjusted dollars.- U.S. Census Bureau

| <b>Mean household income of quintiles</b> | <b>1967</b>  | <b>1969</b>  | <b>1973</b>  | <b>1980</b>  | <b>1990</b>  | <b>2001</b>  | <b>2007</b>  | <b>2008</b>  |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Lowest quintile                           | 4.0          | 4.1          | 4.2          | 4.2          | 3.8          | 3.5          | 3.4          | 3.4          |
| Second quintile                           | 10.8         | 10.9         | 10.4         | 10.2         | 9.6          | 8.7          | 8.7          | 8.6          |
| Third quintile                            | 17.3         | 17.5         | 17.0         | 16.8         | 15.9         | 14.6         | 14.8         | 14.7         |
| Fourth quintile                           | 24.2         | 24.5         | 24.5         | 24.7         | 24.0         | 23.0         | 23.4         | 23.3         |
| <b>Highest quintile</b>                   | <b>43.6</b>  | <b>43.0</b>  | <b>43.9</b>  | <b>44.1</b>  | <b>46.6</b>  | <b>50.1</b>  | <b>49.7</b>  | <b>50.0</b>  |
|   |              |              |              |              |              |              |              |              |
| <b>Gini index of income inequality</b>    | <b>0.397</b> | <b>0.391</b> | <b>0.400</b> | <b>0.403</b> | <b>0.428</b> | <b>0.466</b> | <b>0.463</b> | <b>0.466</b> |

**Main agricultural produce targeted by TNCs in foreign locations, up to 2009. Source: World Investment Report 2009, page 117**

|                        |   |  |
|------------------------|---|--|
| <b>South America</b>   | Floriculture, fruits, rice, sugarcane, wheat and grain, meat and poultry, soya beans            | Produce:<br>1. Cotton<br>2. Dairy<br>3. Floriculture<br>4. Fruits<br>5. Maize<br>6. Meat and poultry<br>7. Oil crops<br>8. Rice<br>9. Soya beans<br>10. Sugarcane<br>11. Vegetables<br>12. Wheat and grain |
| <b>Central America</b> | Fruits, sugar cane  |  |
| <b>North America</b>   | Maize, meat and poultry, floriculture, dairy, cotton, fruits                                    |  |
| <b>Africa</b>          | Rice, oil crops (west) – wheat and grain, floriculture, rice (east) – sugarcane, cotton (south) |  |
| <b>Western Europe</b>  | Floriculture, fruits, dairy, vegetables   |  |
| <b>Eastern Europe</b>  | Dairy, wheat and grain  |  |
| <b>South Asia</b>      | Wheat and grain, rice   |  |
| <b>China</b>           | Fruits, meat and poultry, vegetables, floriculture  |  |
| <b>South East Asia</b> | Fruits, oil crops   |  |
| <b>Australia</b>       | Meat and poultry  |  |

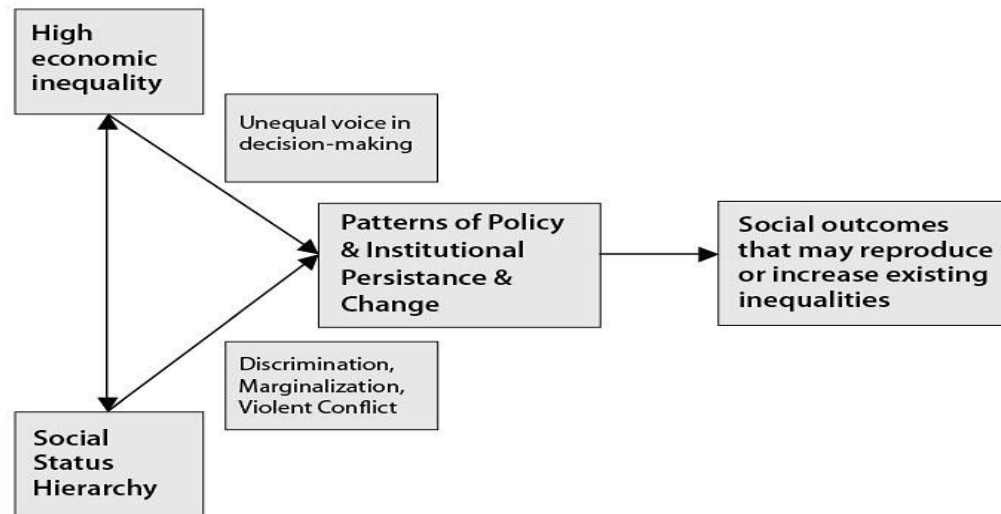
**Share of employers, wage and salaried, own-account and contributing family workers  
(% of total employment).**

Source: ILO, "Key Indicators of the Labour Markets 2008"

| Year 2006<br><b>Civil Society defined in accordance with economic activity of its members</b> | <b>Employers<br/>(owners of capital)</b> | <b>Wage /<br/>salaried</b> | <b>Own-<br/>account</b> | <b>Contributing<br/>family</b> |
|---|--|----------------------------|-------------------------|--------------------------------|
| Industrial countries  | <b>6.3</b>                               | 84.3                       | 7.8                     | 1.6                            |
| Eastern Europe & Central Asia   | <b>3.8</b>                               | 76.6                       | 16.1                    | 3.6                            |
| Middle East   | <b>5.2</b>                               | 61.5                       | 22.6                    | 10.6                           |
| East Asia   | <b>1.2</b>                               | 42.6                       | 38.2                    | 18.0                           |
| Southeast Asia and the Pacific  | <b>2.1</b>                               | 38.8                       | 35.2                    | 23.9                           |
| South Asia  | <b>1.6</b>                               | 20.8                       | 47.4                    | 30.2                           |
| Latin America & the Caribbean   | <b>4.7</b>                               | 62.7                       | 27.1                    | 5.5                            |
| North Africa  | <b>9.6</b>                               | 58.3                       | 16.2                    | 15.9                           |
| Sub-Saharan Africa  | <b>3.0</b>                               | 22.9                       | 48.7                    | 25.4                           |
| World   | <b>2.9</b>                               | 46.9                       | 33.0                    | 17.2                           |

Source: [American Political Science Association](#) (2008) , *“The Persistent Problem: Inequality, Difference, and the Challenge of Development,”*

Figure 1: Inequality, Social Hierarchy, and the Persistence of Inequality



## Urban and Peri-Urban Agriculture

- 1) **Complementing the state:** by filling gaps, by providing services they are better equipped to provide than the state, or by working with the state to provide jointly a variety suited to the variety of needs among the population.
- 2) **Opposing the state:** either directly by lobbying at government level or in international arenas, or indirectly by supporting local and national groups that are adversely affected by government policies.
- 3) **Reforming the state:** by representing the interests of groups they work with at grassroots level to government and working with government to improve policies”.

(A. Thomas, 1992, “Non-governmental organisations and the limits to empowerment”, in M. Wuyts et al , Development Policy and Public Action, OUP)