

Governance and Socio-Economic Development Debate in Sub- Saharan Africa: Issues and Perspectives in Ghana

Gbensuglo Alidu Bukari

Institute of Statistical, Social and Economic Research, Accra, Ghana.

PhD Candidate at the Ghanaian-German Centre for Development Studies.

Abstract

The paper discussed the issue of governance agenda as a framework for socio-economic development in Sub-Saharan Africa with particular reference to Ghana. Whiles there is no disputing fact that governance is not an automatic panacea for development, it is equally true that it is the basis for equitable and more inclusive framework for equitable distribution of development programmes and projects. It is against this background that the paper examines the dichotomy between efforts at democratic governance and the intricate relationship between governance and economic development within the framework of Ghana's Fourth Republican Constitutional Democracy since 1992. The paper thus, underscored the view that Ghana is on course to democratic consolidation and socio-economic development, and argued that in an established democracy, good governance reinforces socio-economic development. It therefore, concludes that the growth of democratic culture must be linked to guarantee socio-economic development and equity for all citizens in Ghana.

Key Words: Governance, Politics, Socio-Economic Development, Issues and Perspectives in Ghana, Democracy, Sub-Saharan Africa

Governance Concept in Africa

The late 1980s and 1990s were characterised by concerted struggle for democratisation and the clamour for good governance on the African continent (Anyang' Nyong'o, 1987; Chole and Ibrahim, 1995). The thirst for freedom and justice, the political fallout from the structural adjustment programmes and the entrenched autocratic and repressive political systems dominant in the larger part of Africa's post-colonial history provided the incentive and legitimacy for popular democratic struggles in Africa.

The democratic struggles triggered constitutional and political changes and reforms in many countries compelling the holding of elections and granting of civil and political freedom (Gyimah-Boadi, 2004; Bujra and Adejumobi, 2002). Between 1996 and 2006, 44 elections were conducted in Sub-Saharan Africa, and between 2005 and 2007, 26 Presidential and 28 Parliamentary elections were held in Africa (UNECA, 2009: 17).

The democratic process has taken different turns and trajectories in different countries, with different levels of progress. While elections have become more regular, and other components of liberal democracy relatively improved compared to the situation that obtained two decades ago, the quality of democracy and governance remains suspect in many countries. Strengthening democratic governance in terms of the building of democratic institutions and the capacity of the state to manage the political and economic processes of society for developmental purposes remains a major challenge for many African countries. Indeed, some scholars argue that the quality of governance in Africa is receding, and that the democratic project on the continent is not only being questioned, but has also become endangered. There is therefore a need to reflect on the progress, challenges, and prospects of the democracy and governance project in Africa.

Apart from the process issues involved in the development of democracy in Africa, there is also the need to revisit and interrogate the theoretical discourse on the democracy project in Africa in the interface between democracy, institution building and development; the question of the democratic developmental state; and the democracy and political culture discourse. Liberal democracy must not be taken for granted in Africa. It must be interrogated in its form, content, feasibility and linkage with development. A major issue of debate from the 1970s, which resonated well in African scholarly circles in the late 1980s and early 1990s, was the linkage between democracy and development. While some argued that the values of liberal democracy (freedom of expression, civil and political liberties etc) are good in themselves and should not be forcibly merged with development, others contended that democracy would only have meaning if it provides a link to development. The importance of the role of social movement in the democratisation processes was emphasised by a number of contributors to the debates, which began even before the onset of the wave of national conferences that swept through many countries of West and Central Africa. Around the mid-nineties Mkandawire (1999, 2001) and others sought to bridge the gap by advocating for a democratic developmental state. The issue of the form, content and feasibility of democracy in Africa (Ake, 2000) needs to be re-examined as part of the charting of the future of democracy in Africa, particularly as violent conflict, and the genocide in Rwanda tended to dampen the enthusiasm generated by the fall of authoritarian regimes and the end of apartheid in South Africa.

The transition from authoritarianism to democracy has therefore been the subject of numerous scholarly and policy debates. These days, much of the discussion is framed in terms of governance, more specifically democratic governance, and how to establish or sustain it. A number of governance indexes have been developed with a view to facilitating the monitoring of the quality of governance, and the various reports on African governance published in recent years give a good indication as to where democracy and democratic governance is being consolidated, and where there have been reversals or stalemates. Indeed, recent assessments tend to suggest that there is marginal progress on governance in Africa (UNECA, 2005, 2009), however, there are several and formidable challenges in the consolidation of democratic governance on the continent as identified by those reports. The resurgence of military coup d'état, the rancor, violence and apparent manipulations associated with elections, and the trend towards political settlement after electoral conflicts through the formation of coalition governments all indicate the deficits of Africa's new democracies and economic development. A rigorous scholarly introspection and projection into the future of governance and democracy in Africa is therefore highly desirable and timely.

Introduction and Problem Statement

Towards the end of the twentieth century, the term governance gained prominent attention of donor agencies, social scientists, philanthropists and civil society. This popularity stems from the fact that it can be applied to a wide range of issues, relationships and institutions involved in the process of managing public and private affairs. The term 'governance' thus, enlarges and better illustrates what governments should be focusing on. In addition, at the end of the cold war, the usage of the term was revitalized as donor agencies, notably the World Bank and International Monetary Fund (IMF) and Western countries urged the countries of the former Union of Soviet Socialist Republics (USSR) and the countries of the developing world to undertake political, economic and administrative reforms and to practice good governance (Jon Pierre, 2000:5). The phenomenal change of political and economic reforms the world over beginning 1990s, followed the fall of Berlin Wall on 9th November, 1989 and the collapsed of Soviet Union (USSR) on 26th December, 1991. The aftermath of these major events, respectively in 1989 and 1991, effectively ended the Cold War and the spread of communism as a result of contemporaneous disintegration of the Eastern European Communist bloc and this development sparked critical political and economic reforms across the developing world. The epochal shift to democracy captured in the term 'new world order' brought about open system of economic and political transformations which instigated economic reforms and good governance agenda. The 'new world order' in the 1990s therefore marked a watershed in the world economic and political systems (Bratton and van de Walle, 1997: 6).

This notable dramatic political and economic changes have affected many developing countries and brought about democratisation and economic reforms. Thus, within this open political sphere in the 'new world order' come also economic reforms and good governance agenda to achieve the objectives. The political reforms have come to open the economy in the new paradigm shift of political and economic liberalisation in which the economic policies and development programmes were appreciated and accepted by political elites in the new democratic states in the 'Unipolar World' of the Post Cold War era. By governance therefore, it meant sound economic development management. There is no doubt therefore, that Sub-sharan African countries ability to confront their developmental problems is largely determine by the nature of democratic governance and political leadership. Similarly the future of the fledgling democratic governance across the continent will depend to a large extent on good governance and sustainable economic development. The emerging form of governance and political leadership therefore, departs from the traditional model of democratic government where state was the locus of political power and control (Boafo-Arthur, 2006). Thus, the liberal democratic form of governance is a process in which the state plays a leading role, making priorities and defining objectives. Even though, governance relates to the changing relationships between state and society and a growing reliance on less coercive policy instruments, the state still is the centre of considerable political power and control. But, functional democratic governance needs an informed citizenry and empowered media, popular participation in policy making a responsive state and governing processes that are open, transparent and inclusive to all legitimate interests. Improving relationships between citizens and their government means working simultaneously because the state alone cannot solve society's many problems or provide the remedies for democracy's deficits and thus requires some form of citizen action (Boafo-Arthur, 2006).

The new paradigm of economic and political development has become the issue of good governance which is about the process, politics and partnerships. In the past, many sub-sharan African countries, including Ghana, were run by government officials that take decisions primarily based on technical knowledge and vested interests. Today, the concept of political democracy and governance structures demands are compelling governments to expand public consultation, implementation of participatory democratic practices at the national and local levels through encouragement of popular participation and develop partnership with civil society organisation and therefore require de-professionalisation of policies and the public administration system.

It is thus, against this background that good governance became phenomena in the international development debate and political lexicon in the 1990's focusing on bottom-up participatory governance with the involvement of several stakeholders.

Proponents claimed that additional political participation would improve the quality of politics and improve socio-economic development in a state particularly in the sub-Saharan African countries. However, since the 'third wave' of democratisation in Africa, there have been some interesting studies on political economy of governance and development (Olukoshi, 1995; Haggard and Webb, 1994; Van de Walle, 2004; Ake 1993). The political and economic governance of Ghana's Fourth Republic has also received elaborate attention in some scholarly analysis (Herbst 1993; Aryeetey and Harrigan, 2000). But, none of these studies considered the intricate relationship between governance and development in Ghana's Fourth Republic. This paper seeks to fill such void by examining the governance and socio-economic development dichotomy in literature. The paper is therefore, a contribution to the ongoing debate over whether or not governance links the political system with its environment as an analytical framework within which development can be accomplished.

Governance as a Concept

The longing to arrest the increasing underdevelopment in Sub-Saharan Africa since 1990s has made the idea of governance and economic development unparallel public interest towards which every county's efforts is geared. The concept governance was first introduced in a World Bank document in 1989 entitled "Sub-Saharan Africa: from crisis to sustainable growth" as a reform objective (Boafo-Arthur, 2003). However, the thorough concern of governance came onto the World Bank agenda after the publication of the 1991 World Bank Development Report and acknowledges the importance of the state as an institution in the process of governance. But, a meaningful development largely depends on political leadership that must strengthen civic voices, demonstrate responsive governance systems and promote interest of all its citizens (ibid). There is also confusion in the governance literature whether governance as phenomenon or theory, governance as analytical framework for socio-economic development (Rhodes, 1996).

The conceptualisation of the term governance does not, however, seem to have been consistent and it has generate various definitions and meanings in the literature. According to Work, Governance may be broadly defined as the system of values , policies and institutions by which a society organize collective decision-making and action related to political, economic and socio-cultural and environmental affairs through the interaction of the state , civil society and the private sector (Work, 2003:5 cited in Andrew Heywood, 2007). As stated in the World Bank's Development Report in (1992) put it, *governance is defined as the manner in which power is exercised in the management of a county's economic and social resources for development.*

It is argued that governance is central to creating and sustaining an environment which fosters strong and equitable development and it is an essential complement to sound economic policies.

The United Nations Development Programme (UNDP), in its 1997 policy paper, defined governance *as the exercise of economic, political and administrative authority to manage a country's affairs at all levels. It comprises the mechanisms, processes and institutions, through which citizens and groups articulate their interests, exercise their legal rights, meet their obligations and mediate their differences*" This definition was endorsed by the Secretary-General's inter-agency sub-task force to promote integrated responses to United Nations conferences and summits. The number of country level programmes on governance supported by the United Nations system has expanded considerably. While the World Bank has focused on stabilization and State reforms that overwhelmingly focused on civil service retrenchment and privatization for a long period, the early 1990s saw a change of focus. The Bank came to realize that most of the crises in developing countries are of a governance nature. Hence, the contemporary adjustment package emphasizes governance issues such as transparency, accountability, participation and judicial reform. In this context, the Bank has introduced a new way of looking at development in terms of good governance.

According to Pierre, *governance refers to sustaining coordination and coherence among a wide variety of actors with different purposes and objectives* (Pierre, 2000). Such actors may include political actors and institutions, interest groups, civil society, non-governmental and transnational organizations. This definition illustrates that while the government of a traditional state has to cope with internal challenges and external challenges from the above actors, some of the functions previously the preserve of government may be taken over some of the same parties. This definition gives credence to the assertion made earlier that governance is broader than government. However, Hirst offers a more general definition of the term. He asserts that *governance can be generally defined as the means by which an activity or ensemble of activities is controlled or directed, such that it delivers an acceptable range of outcomes according to some established standard* (cited in Pierre, 2000). Canada's Institute of Governance (2002) offers another general definition, asserting that governance is the process whereby societies or organizations make important decisions, determine whom they involve and how they render account.

There is also no doubt that Africans development problems have not been lack of good governance but also acerbated by poor political leadership. The authors of New Partnership for Africans Development (NEPAD) document stated that *"we recognized that failures of political and economic leadership in many Africans countries impede the effective mobilization and utilization of scares resources into productive area of activity in order to attract and facilitate domestic and foreign investment"* (OAU, 2001: 8).

There is no doubt therefore, that Africans ability to confront her developmental problems will be determined by the nature of democratic governance and political leadership. Similarly the future of the fledgling democratic governance across the continent will depend to a large extent on good governance and political leadership. Governance is also seen as a dynamic and context dependent concept. It comprises complex mechanism, processes and institutions through which citizens and groups articulate their interests, mediate their differences and exercise legal rights and obligations (Work, 2003). According to Rhode, governance is a broader term than government. Although it still has no settled or agreed definition it refers in its widest sense to the various ways through which social life is coordinated. Government can therefore be seen as one of the institutions involved in governance.

It is possible to have governance without government. The wider use of the term reflects a blurring of the state or society distinction resulting from changes such as the development of the new forms of public management, the growth of public private partnership, the increasing importance of policy networks and the greater impact of both super national and sub -national organisations. While some associate governance with a shift away from command and control mechanisms to a realistic on consolation and bargaining, others argue that it implies a preference for less government and the free market. Rhode therefore, identified the following principal modes of governance as 'market', 'hierarchies' and 'networks' (Rhodes, 1996).

The wider use of the term reflects a blurring of the state or society distinction resulting from changes such as the development of new form of public management, the growth of public private partnerships, the increasing importance of policy networks and the greater impact of both supranational and sub-national organisation (multi-level governance). Whereas some associate governance with a shift away from command and control mechanisms to a reliance on consultation and bargaining, others argued that it implies a preference for less government.

The popularity of governance tends to cause confusion about what the concept actually meant. Governance therefore, as an analytical perspective is still emerging but there seemed to be contending views on what is the rewarding approach to governance as a concept.

According to Pierre and Peters (2000:13), the approach to the understanding of governance is a 'state centric approach.' In their view, although governance relates to changing relationships between state and society and a growing reliance on less coercive policy instruments, the state is still the centre of consideration.

This means that the emerging forms of governance has departed from a model of democratic government where the state was the undisputable locus of political power and control Pierre and Peters conceptualised governance as processes in which the state plays a leading role, making priorities and defining objectives (cited in Pierre, 2000:13). Governance in this sense is seen as the articulation and pursuit of collective interests in the post-strong state era. This is in line with the notion of the role of the state as that of steering society and the economy. It can therefore be said that governing the state and society is still a highly politically charged process and that state remains the only creature in the society can play political and democratic role. Markets may be efficient role of allocating the resources but cannot play the same role as political actors or arenas.

Also, according to Stoker in 2006, governance can be viewed from five propositions as follows; Governance refers to a set of institutions and actors that are drawn form but also beyond government; Governance identifies the blurring of boundaries and responsibilities for tackling social and economic issues; Governance identifies the power dependence involved in the relationships between institutions involved in collective action; Governance is about autonomous self-governing networks of actors; Governance recognizes the capacity to get things done which does not rest on the power of government to command or use its authority (Stoker, 2006: 217-218).

In its broadest sense, governance is the exercise of power in the management of public affairs. Governance is the sum of the many ways individuals and institutions, public and private, manage their common affairs. Governance is a dynamic, political process through which decisions are made, conflicts are resolved, diverse interests are negotiated, and collective action is undertaken. The process can draw its authority from formal written codes that have the power to enforce compliance, as well as from informal processes based on unwritten but broadly accepted cultural norms, or from the charismatic leadership of an individual. Core to the substance of governance is the relationship between state and citizen. Governance is not limited, however, to government. Governance characterises the rules and institutions that manage public affairs in matters of the state, but also private business, civil-society, and the relations among them. Governance has become a prominent concern in development programs.

This is due to a growing recognition that politics and political systems shape the direction and opportunities for development, poverty and insecurity are not simply a matter of inadequate resources or natural disasters but, can result from unequal distributions of power, abuses of power and the systematic violation of people's rights.

Governance, Political Leadership and Socio-Economic Development

Literature suggests that political factors intimately interact with economic factors in the context of democratic consolidation and socio-economic development. In the political democracy, the major index of socio-economic development largely depends on the extent to which political power is decentralised to the local levels of the national polity (Bratton and Van de Walle, 1997:217). This therefore means that the challenge of entrenching Sub-Saharan African's fledgling democracies lies on how to ensure a synergy between the efforts at deepening democratic governance and sustainable economic development. Indeed, many of the African's developmental problems cannot be fully explained without an in-depth understanding of the prevailing dichotomy between governance and socio-economic development. While there is no disputing fact that governance is not an automatic panacea for development, it is equally true that it is the basis for equitable and more inclusive framework for equitable distribution of development programmes and projects. The general accepted position is that poor economic performance undermines attitudes and behaviour that are essential for democratic consolidation.

As, strongly argued by Makau-Mutua, *Democracy will not take root in Africa if the majority of its population continues to live in abject poverty. Africans support democracy because they expect it to reverse decades of corruption, mismanagement and economic hardship* (Makau-Mutua, 2000: 14). For Salim, *governance and respect for human rights cannot thrive on empty stomachs. In particular, democracy must deliver on bread and butter issues, otherwise democratic transitions will be reversed and the continent will slide back into situation where the policies of poverty gives rise to the politics of poverty on the continent* (Salim, 1999:3). This also underscored the view by President Baliki Muluzi of Malawi that people do not eat democracy, but food (cited in Mkandawire, 1999:132).

Liberal democratic theorists particularly those who operate within the framework of Gross National Statistical Studies often argue that economic development or affluence is a condition for sustaining democracy (Lipset, 1980). Thus, Lipset noted in his classic political sociology paper linking democracy to socio-economic development that “the more well-to-do, it will sustain democracy (Lipset, 1980:31).

But, there is always tension between democracy and economic development. It has been argued that, democracy could impact positively on poverty reduction but others are of the opinion that democracy per se cannot reduce poverty. Makau Mutua, strongly argues that; the most serious threat to democracy and civil society reform remains, however in the impoverished economies of African States. Democracy will not take root in Africa if the majority of its population continues to live in abject poverty.

In other words, mass economic privation and aggravated inequalities in wealth distribution cannot work under democratic governance. Thus, from the above view, international experience suggests that there seems to be some strong association between politics of governance and economic development. Economic development requires mobilisation of country's physical, human and financial resources and their deployment in productive activities. Further, since the main goal of economic development is to raise the standard of living of the people, what is produced by deploying the country's resources should be equitably distributed. The mere creation of material wealth and resultant material welfare are not the only goals of economic development. The prime objective of economic development is not merely elimination of material poverty but, more importantly to eradicate illiteracy, disease, environmental degradation, and through them improving the quality of life and establishing peace and tranquility in the society. In other words, political leadership plays an important role in good governance and in turn plays an important role in pushing up the pace of economic development.

In realizing the importance of governance in achieving economic growth of developing countries, World Bank experts, have studied the association between governance and growth in developing countries. For their purpose they identified voice and accountability, political stability government's effectiveness, regulatory quality, rule of law and 'control of corruption' as the main indicators of good governance. They found strong correlation between quality of governance and level of growth in a majority of the countries studies. Political leadership does influence to a large extent these indicators of governance.

The most important mechanism through which political leadership contributes to the economic development is by choosing appropriate policies and programmes implementing them effectively and by creating, reviving or adopting the required institutions for hastening the pace of development. For instance, as argued by Busia in his article 'Africa in search of Democracy' said *the best kind of democracy is the one which enables many people as possible to share in making of decisions and in the actual functions of government* (cited in Boafo-Arthur, 2006). This kind of admonition should be followed in the drive to democratic governance and socio-economic development.

But, according to Ninsin and Drah *Ghana and sub-Saharan African countries in general do not have the social and economic bases for the liberal democracy and governance and that the great difficulty in maintaining this system is instructive enough, the only alternative therefore is to devise a political system taking the socio-economic conditions of our country as the basic premise* (cited in Boafo-Arthur, 2006).

A country's wealth is of great importance to democratic consolidation. Sustained economic growth at stable and moderate levels of inflation is a key in sustaining democratic regimes overtime. Thus, once a democratic regime is established, then the chances of democratic consolidation are likely to be greater because wealthy and economic growth can decisively ease the embedding of democratic institution.

This meant that the economic expansion helps reduce societal conflicts resulting from inequality or other cleavages and serves to diminish any tendency to political alienation, polarization and destabilizing social violence then democratic consolidation is plausible. But economic decline poses a severe threat to democratic sustainability. A comprehensive survey evidence of Prezeworki et al (1996), indicates that the chance of democratic survival and ultimately consolidation increase when a government manages to reduce to develop its country's economy in a sustained fashion and consistently manages to reduce socio-economic inequalities through effective welfare policies.

The desirability of an association between socio-economic development and democratic governance occurred in at least three distinct periods (Lancaster, 1993). The first was the height of the cold-war (1960s-1970s). This period coincided with Africa's liberation and decolonization struggle. During this period, the development aid was expected to result in growth and the adoption of democracy and provide support for global anti-communism project. The second period was the early 1980s when issues pertaining to the expansion of democratic values began to emerge. The United States Agency for International Development (USAID) became hesitant on promoting democracy and good governance in Africa and the possibility of working productively with Africa governments in any fashion and they were skeptical about political aid and doubted that democracy and governance were feasible or even appropriate goal in the continent.”

The final period was the end of the cold war, when multinational agencies such as World Bank adopted new conception of democracy and good governance in a bid to foster relationship between economic growth and democracy (Lancaster, 1993). Democratization and good governance have therefore become effective political instruments in the hands of donor agencies. However, overtime, western support for democratization became increasingly rhetorical rather than substantial.

This is because re-emerging strategic concerns for regional order and security and deepening of market based reforms began to take precedence over democracy and democratic consolidation. Like many third world countries, the restoration of democracy and governance came amidst pressure from the international financial and aid agencies and governments of the Western nations seeking to promote democracy across the world as well as demands by local democratic forces for democracy and economic reforms.

This development coincided with what Huntington (1991) sees the *third wave* of democratisation which engulfed the whole world in the last two decades of the twentieth century and by embarking on democratization process, sub-Saharan Africa for that matter Ghana seems to be endorsing what Gitonga termed as *a progressive sanctification of the democratic idea* (Gitonga, 1988: 5).

Many reasons are often advanced for the seemingly triumphal march of liberal democracy and governance since the 1990s. According to Fukuyama for instance, the “demise of the rival ideologies hereditary monarchy, fascism and most recently socialism and communism and the subsequent spontaneous demands for democracy and governance in the Eastern Europe and other parts of the world, human society seems to be moving in one direction, That is, political liberalism and the markets for socio-economic development. To Fukuyama, *liberal democratic governance may constitute the ‘end point of mankind’s ideological evolutions and the final form of human government and therefore the end of history* (Fukuyama, 1992: xi). While there is merit in Fukuyama’s perspective in the sense that it provides a grand historical evolutionary framework for examining the development and trajectories as the reasons for the relative successes and failures of different political ideologies in the African context.

However, for the more proximate cause of political democratisation it can be argued that it has to do with the failure of structural adjustment programmes to produce definite successes in Africa. Indeed by the 1990, after a decade of structural adjustment programme to meaningfully transform sub-Saharan African economies, the World Bank offered a new political interpretation of the African crisis. It argued that underlying the litany of Africa’s development problems is a crisis of governance (World Bank 1989:60). In response therefore, the western donors insisted that economic reforms should go hand-in-hand with democracy and governance. Thus, as a condition for further aid for sub-Saharan African economies were thus encouraged to liberalize the political arena and socio-economic structuring. This political conditionality is premised on the belief that democratic governance and economic reform will reinforce each other and provide a stable process of socio-economic development (Dzorgo, 2001).

Also, according to the United Nations Development Programme (UNDP), governance is the exercise of economic, political and administrative authority to manage a country's affairs as stated above. Such a system should include the mechanisms, the processes and the institutions which should serve as the conduit for people to express their preferences, mediate differences, exercised their rights, whilst taking responsibility for their obligations as citizens. The relationship between the income kind of poverty and human dimensions characterised by powerlessness, voicelessness, vulnerability exposure to risk and fear, humiliation and social exclusion(UNDP, 2002:9). There is also a psychological aspect of poverty which is manifested as a search for identity and desire for security for self and family (World Bank, 2000:64).

This position of the World Bank confirms the correlation between democracy and poverty.

Whiles there is no disputing fact that governance is not an automatic panacea for development but, it is equally true that it is the basis for equitable and more inclusive framework for equitable distribution of development programmes and projects. The phenomenal changes in the international system that signaled the collapsed of the eastern block and the end of cold was equally swept dictatorial regimes off the political landscape. To a very large extent, Ghana was a beneficiary of the globalisation in this political sense. With the collapsed of communism and the clamour for political openness and economic structuring in the sub-Saharan Africa, and the third world in general, the democratic mode of governance and economic development that have been jettisoned several years by the military was resurrected(Boafo-Arthur, 2006:33-34). It has also been argued that democracy and governance could impact positively on poverty reduction but, others are of the opinion that governance per se cannot bring about socio-economic development, because the poverty of democratic practices can in some instance aggravate the levels of the poverty in a polity.

Democracy and good governance as norms that are fundamental to the success of poverty reduction have been explored in many circles and at different levels. For many developing countries, the only way to achieve a reduction in levels of poverty experienced by a vast majority of their population is to create the enabling environments through democratic governance as means of yielding the fruits of good governance as the bridging element between democracy and development. While there is no disputing fact that democracy is not an automatic panacea for poverty reduction and socio-economic development, it is equally true that it is the basis for equitable and inclusive framework and the equitable distribution of programmes and projects (Boafo-Arthur, 2006:237).

In sum, the ongoing debate in the literature is ample evidence that there is a link between democracy, good governance and socio-economic development. Thus democratic governance with element of participation in electoral process and development has the unique potential of empowering ordinary people who may fall into the poverty bracket variously defined. Ghana democracy is gradually contributing to socio economic development, the imperceptions of the mechanisms, processes and structure notwithstanding. This is encouraging because people can then hold government accountable for its actions and inactions to ensure social and geographical equity, management of resource and eventually streamline the crooked path towards the building of a society where accountability of political leadership or power bearers, press freedom, respect for human rights, independence of Judiciary and the empowerment of the vulnerable and excluded become the hallmarks of committed and broadly owned strategy for socio-economic development.

The underlying debate is that democratic governance and political leadership is a development imperative for all development countries because effective and robust systems of governance and political leadership are the most conducive to achieving sustainable socio-economic development and poverty reduction. Any good governance system should aim at achieving the trees “*Es*” namely ‘*empowering citizens, enabling governments to be responsible and enforcing compliance with transparency and rule of law*’ (World Bank, 2000:64).

Issues and Perspectives of Governance and Socio-Economic Development in Ghana

Political participation in Ghana since 1992 has occurred within the framework of multi-party constitutional democracy. It is therefore, important to determine the linkages between governance and socio-economic development. For more than two decades now, Ghana under the Fourth Republican Constitutional Democracy has enjoyed peaceful and progressive democratic governance. In spite, of the challenges and nerve racking moments of minor violence, confusion and tensions, the journey has been manageable and profitable in terms of development, prestige, growth and trust among the citizenry and international community. Clearly, Ghana has made tremendous progress in the democratic journey, but democracy and governance is a process and a lot needs to be done. This is since the multi-party democracy in 1992, six successful democratic elections have been convoked. The country seven democratic elections are scheduled to take place on 7th November, 2016. There is therefore the need for regular assessment of how the country has sustained its commitment to the norms and practice of democratic governance towards sustainable economic development and democratic consolidation.

Politics of governance and political leadership is about the vision of the state and how to achieve development and thereby improve and increase the quality of life of the citizens. This can be done through the socio-economic objectives of Directive Principles of the State Policy (DPSP) enshrined in the 1992 Ghana's Fourth Republican Constitution towards the establishment of just and free society including the following The 1992 Republican Constitution of Ghana, particularly the Chapter six contains *The Directive Principles of State Policy* of Ghana's Fourth Republic. The Article 34 (1) of Chapter of the 1992 Constitution states that:

The Directive Principles of State Policy contained in this Chapter shall guide all citizens, Parliament, the Judiciary, the Council of State, The Cabinet, political parties and other bodies and persons in applying or interpreting this Constitution or any other law and in taking and implementing any policy decisions, for the establishment of a just and free society."(Constitution of Republic of Ghana (1992:35).

The Article 34(2) further states: *The President shall report Parliament atleast once a year all steps taken to ensure that realisation of the policy objectives contained in this Chapter and in particular the realisation of basic human rights, a health economy, the right to work, the right to good health care and the right to education* (Constitution of Republic of Ghana 1992:35). This requirement, it seems, is in addition to the Sessional Address delivered by the President in Parliament as provided for under Article 67 of Chapter eight of the 1992 Constitution.

The Chapter six therefore contains five main objectives, the policy on international relations (Article, 40) and duties of citizens (Article, 41). The five main objectives are: political objectives (Article, 35), economic objectives (Article, 36), social objectives (Article, 37), educational objective (Article, 38), cultural objectives (Article, 39). The Economic objectives Article 36(1) states that: *The State shall take all necessary action to ensure that the national economy is managed in such a manner as to maximise the rate of economic development and to secure the maximum welfare, freedom and happiness of every person in Ghana and to provide adequate means of livelihood and suitable employment and public assistance to the needy*"(Constitution of Republic of Ghana (1992:36-37). Also, Article 36(5) states: *"For the purposes of the foregoing clauses of this article, within two years after assuming office, the President shall present to Parliament a co-ordinated programme of economic and social development policies, including agricultural and industrial programmes at all levels and in all the regions of Ghana"* (Constitution of Republic of Ghana 1992:37-38).

In pursuance of the Article 34 of the 1992 Constitution of the Fourth Republic, particularly 36(1) and (5), the successive governments since 1993, drew up development policy frameworks to guide the overall economic and social development of the country in line with the Directive Principles of State Policy of the 1992 Constitution of Ghana. These policy framework since 1993 are include: *Ghana Vision 2020 (1996-2020)*, *Ghana Poverty Reduction Strategy I (2003-2005)*, *Ghana Poverty Reduction Strategy II (2006-2009)*, *Ghana Shared Growth and Development Agenda I (2010-2013)*, *Ghana Shared Growth and Development Agenda II (2014-2016)*. The Government of Ghana is currently debating a forty year National Development Plan (2018-2057). Launching the proposed National Development Plan for Ghana, the President Mahama said *The plan must capture the aspiration of the people and what we need to do to achieve this aspirations and that the strategic direction for national development is to leverage our natural resource endowments, agriculture potential and relatively large human resource base to accelerate socio-economic transformation through value addition and industrial production starting with light manufacturing and diversification* (www.ghana.gov.gh).

As stated above, the generally accepted position is that poor economic performance undermines attitudes and behaviours that are essential for democratic consolidation. In other words, mass economic deprivation and aggravated inequalities in wealth distribution in the country can undermine democratic consolidation. While there is no disputing fact that democracy is not an automatic panacea to socio-economic development, it is equally true that it is the basis for equitable distribution of development since 1992 through elected representatives.

The literature confirmed a correlation between good governance and the socio economic development. This is because present democratic dispensation of the Ghana's Fourth Republic is one which has been characterized by heightened socio-economic and political transformation since the return to democratic governance in 1993. In other words, the return to democracy in 1993 was viewed by Ghanaians as a process that would provide the opportunity for good governance or people-centered leadership, poverty reduction, bringing about self determination through free and fair elections, addressing the challenge of political participation and checking marginalization by curtailing the elite mass divide in the country.

The Implication of Good Governance for Socio-Economic Development

The concept of democratic consolidation defies clear-cut definition. Indeed in the words of Schedler (1998), there are many different views and definitions of democratic consolidation and that the concept has expanded beyond all recognition. He said, consolidating democracy include such divergent items as follows; Popular legitimation, the diffusion actors, fusion of democratic values, the neutralization of anti-system, civilian supremacy over the military, elimination of authoritarian enclaves, party building, the organization of functional interest, the stabilization of electoral rules, the reutilization of politics, the decentralization of state power, the introduction of mechanisms of direct democracy, the judicial reforms, the alleviation of poverty and economic stabilization (Schedler, 1998). But, there seemed to be some consensus on two features of democratic governance and its consolidation including the following:

The first is the widespread acceptance of the general principles of democratic competition (i.e. electoral processes). For Gunther et al 1986, cited in (Schedler, 1998), a democratic regime is consolidated when all politically significant groups regard its key political institutions as the only legitimate framework for political contestation and adhere to the democratic rules of the game.

But, according to Burton et.al 1995, also cited in (Schedler, 1998), democratic consolidation denotes the condition of a political system in which all major political actors and social groups expect the government leaders will be chosen through competitive elections and regard representative institutions and procedures as their main channel for pressing claims on the state for socio-economic development. Since returning to constitutional democracy since 1992, Ghana had had six successive democratic presidential and parliamentary elections accepted by all contested parties.

The second is the mass acceptance of democracy in particular the degree to which the population is satisfied with democracy. Many believe that satisfaction with the democratic experience promotes a greater commitment to democracy and hence, signifies an important trend towards democratic consolidation. Indeed, Gunther *et.al.* 1986 (cited in Schedler,1998), acknowledges that widespread support for and satisfaction with democracy may be an important and necessary condition, particularly in existence will be democratic.

In the words of Diamond (1993: 15) consolidation is *the process by which democracy becomes so broadly and profoundly legitimate among its citizens that it is very unlikely to breakdown. It involves behavioural and institutional changes that normalize democratic politics and narrows its uncertainty. This normalisation requires the expansion of citizen's access, development of democratic citizenship and culture, broadening of leadership recruitment and training and other functions that civil Society performs. But, most of all, and most urgently, it requires political institutionalization.* However, by itself, widespread support for democracy undervalues or ignores the importance of the absence of fundamental disputes among politically significant groups over the acceptability of the basic framework for political contestation, and what this implies for democratic stability, predictability and ultimately sustainability (Prezeworki *et.al*, 1996).

Therefore, it is not a sufficient condition for the onset of democratic consolidation. This notwithstanding, although widespread support of democracy may not by itself be a sufficient condition for democratic consolidation and socio-economic development, certainly it is recognised as a contributory factor. The phenomenon of people involvement in the democratic politics and political consciousness is a typical case of politics of governance as a reform objective in Ghana. This, no doubt, augurs well for the future of democratic consolidation and socio-economic development in the country.

Conclusion

It can be concluded that Ghana is on a steady course towards democratic consolidation and sustainable economic development. The politics and governance continues to undergo refinements and adaptation for the better. The struggle to strengthen democracy is not yet complete. The saliency, vibrancy, and efficiency of democratic institutions are very important. There is the need for vigilance in nurturing such institutions to avoid a reversal of the process. Such vigilant nurturing should encompass institutions of governance at both local and national levels. For instance, it is argued that the move to democracy and its consolidation will turn as much as the particularities of circumstance and on will skill and lick as on any more generalisation cause whatever the particularity of circumstance might be the fact remains that a polity is democratic to the extent that there exist institutionalized mechanisms through which the mass of over the political elite in an organized fashion (Hawthorn, 1996: 24 and Moore 1996:40). It can therefore be argued that Ghana's democratic governance is on course because both the elite and the masses agreed that democracy is the best form of government for this country to a large extent, the forms of control especially elections and free media exist even though there is more to be done to strengthen the institutions that make such controls possible.

It has therefore The growth of democratic culture must be linked to guarantee socio-economic development and equity for people and also for Ghana's democracy to smoothly sail into maturity, there is the need to redouble efforts at engineering development efforts as the foundation for sustainable democracy and socio-economic development in the country.

Policy Recommendations

To lead to the development of mutually reinforcing institutions and sustainable practices, the reformed institutional structures must be rooted in Ghana's political and economic context and must draw on the critical factors that led up to the crisis. This means that more attention must be given to understanding Ghana's national circumstances. Despite the enthusiasm for governance reform, there are several sobering issues that should be kept in mind as they have implications for policy. There are limitations in both in scale and timing and there is not always a clear analytical link between specific institutional arrangements and economic performance as some institutions are both ends and instruments. The following are therefore worth noting:

1. It is also very important to sequence the reforms strategically and appropriately as many institutions and processes are interdependent and reforms must be undertaken simultaneously if they are to bear results. There is a need to set manageable priorities so as to avoid the danger of overloading the reform agenda.
2. Another useful strategy is to lower expectations of the immediate gains that can be achieved through governance reform and avoid linking reforms with conditionalities. The revised institutional framework to support good governance can only be created and sustained on the basis of social consensus.
3. To move out of this deep crisis towards lasting regeneration, growth and social cohesion, the institutional framework must be developed through deliberation and the participation of broad sections of the Ghanaian political and economic community. This is an arena in which public-sector and private-sector co-operation and consultation is required. Such deliberations are the product of a democratic system grounded in the rule of law. This is a prerequisite for the transformation of Ghana and cannot be regarded as a by-product of development.
4. Given the differences, it is important that planners and policy-makers have a clear notion of what type of democratic state and what model of market economy the Ghana is seeking to create.

5. At present, Ghana is fighting on many fronts. Her struggles include coping with enormous public-sector debts and salvaging a banking sector that is burdened by defaulting creditors and a weak currency. The government needs to develop credible policies to secure investor confidence and to undertake the redistribution of assets within a framework that is transparent and fair. Much attention should also be directed at creating employment and the delivery of basic services at affordable prices, so as to secure the confidence of the public that these issues are being treated as a priority.
6. Application of the rule of law, without any discrimination to prevent exploitation and the unfair treatment of employees. Equal and fair treatment of all economic subjects to give the same opportunities of success to all and creation of a transparent process in awarding economic rights through licensing.
7. The state should not intervene to create market distortions, recognize that the state has a role to play in providing safety nets and support to vulnerable groups. Give special attention to vulnerable groups, such as the informal sector, through affirmative action programmes that will eventually level the playing field in order to guarantee free movement in all production factors, goods and services in Ghana.

References

- [1] Abrahamsen, Rita. (2000) *Disciplining Democracy: Development Discourse and Good Governance in Africa*. London and New York: Zed Books.
- [2] Aidoo, K, O. (2009) .The Political Economy of Pro-Poor Development: The Case of Ghana's Poverty Reduction Strategies', *Institute of African Studies Research Review*, 25(1): 23-38
- [3] Ake, C. (1993) 'The Unique Case of African Democracy', *Royal Institute of International Affairs*, 69(2): 239-244.
- [4] Ake, Claude (1996) *Democracy and Development in Africa*. Washington DC: The Brookings Institute.
- [5] Ake, Claude. (2000), *The Feasibility of Democracy in Africa*. Dakar: CODESRIA
- [6] Andrew, H. (2007) . *Politics*. Palgrave Macmillan Publishers Ltd
- [7] Anyemedu, Kwesi (1993) 'The Economic Policies of the PNDC', in Gyimah-Boadi, Emmanuel [ed] *Ghana Under*
- [8] Aryeetey , Enest and Mckay, Andrew. (2007), 'Ghana : The Challenge of Transforming Sustained Growth into Poverty
- [9] Aryeetey, Enest and Kanbur, Ravi. (2008) 'Ghana's Economy at Half Century: An Overview of Stability, Growth and

- [10] Ayee, J. R. A. (2005). *Traditional and Modern Leadership in Africa in Takyiwaa Manuh and Esi Sutherland Addy eds. Critical Issues in Africa*, Institute of Africa Studies, Accra: Legon
- [11] Bentham, D. (1994) Conditions for Democratic Consolidation, review of Africa Political Economy, No. 60 157-172
- [12] Boafo-Arthur, K. (2003). Prospects for Ghana's Drive towards Democratic Maturity in local government in Ghana, Grassroots participation in 2002 local elections; Department of political Science, University of Ghana.
- [13] Boafo-Arthur, K. (2006). *Voting for Democracy in Ghana (Constituency Studies)*, Accra: Freedom Publication Legon, Ghana.
- [14] Boafo-Arthur, Kwame (1999) 'Ghana: Structural Adjustment, Democratization, and the Politics of Continuity', *African Studies Review*, 42 (2): 41-72.
- [15] Boafo-Arthur, K. (2006). *Voting for Democracy in Ghana. (Thematic Studies)*. Accra: Freedom Publications, Legon, Ghana.
- [16] Botchwey, Kwesi (2005) 'Changing Views and Approaches to Africa's Development', in Besley, T and Zagher, R
- [17] Bratton, M. and Van de Walle, N. (1997). *Democratic Experiments in African Regime Transitions in comparative perspective*: Cambridge University Press.
- [18] Dahl, R.A. (1989). *Democracy and its critics*. New Haven and London: Yale University Press.
- [19] *Development Challenges in the 1990s: Leading Policy Makers Speak from Experience*. New York: Oxford University Press and The World Bank.
- [20] Diamond, L. (1996). *Consolidating Democracy Third Wave Democracy, Themes and Perspectives*. John Hopking University
- [21] Drah, F.K. (2003). Civil Society and Grassroots political participation in Ghana. Accra:, University of Ghana Press.
- [22] Dzorgo (2001). Ghana in Search of Development: The Challenge of Governance, Economic Management and Institution Building, Ashgate Publishing Ltd. Aldershot.
- [23] Government of Ghana (1992). The Fourth Republic Constitution of Ghana. Accra: Assembly Press of Ghana Publishing Corporation.
- [24] Government of Ghana (GoG) (2008a) *the Budget Statement and Economic Policy of the Government of Ghana for 2008 financial Year*. Accra: Ministry of Finance and Economic Planning.
- [25] Government of Ghana (GoG) (2008b) *State of the Nation Address*. Accra: Assembly Press, Ghana
- [26] Government of Ghana (GoG) (2009) *The Budget Statement and Economic Policy of the Government of Ghana for the 2009 Financial Year*. Accra: Ministry of Finance and Economic Planning.

- [27] Hayness, Jeff. (2001). *Democracy in the Developing World* (page 134-162). USA: Black Well Publishers.
- [28] Huntington, S (1991). *The Third Wave of Democratization in the late 20th Century* (page 226-227). Oklahoma University Press.
- [29] Hyden, G. and Court (2002). *Governance and the Study of Politics in Jon Pierre* (Governance, Politics and the State) Macmillan Press Ltd.
- [30] Jonhari, J C.(2009). *International Relations and Politics*. New Delhi: Sterling Publishers Private Ltd.
- [31] Kwame, N. A. and Drah, F. K. (1987). *The Search for Democracy in Ghana* (A case study of political instability in Africa). Accra: Published by Asempa Publishers Christian Council of Ghana.
- [32] Lancaster, C (1993). *Political Economy and Policy Reform in Sub-Saharan Africa*. Boulder: Lynne Rienner.
- [33] Legon: ISSER, University of Ghana.
- [34] Legon: ISSER, University of Ghana.
- [35] Linz, J. and Stepan, A. (1997). *Towards Consolidated Democracies, in Larry Diamond Consolidating the Third Wave Democracies*. Baltimore: Johns Hopkins University Press.
- [36] Lipset, S.M.(1980). *Some Social Requisites of Democracy; Economic Development and Political legitimacy*. Baltimore: John Hopkins University Press.
- [37] Makau, M. (2000). *African Human Rights System: A critical Evaluation*, Background Paper to the Human Development Report 2000: <http://www.undp.org>
- [38] Mkandawire, T. (1999). *Crisis Management and Choiceless Democracies in Richard Joseph ed. State Conflict and Democracy in Africa*. Boulder: Cynne Rienner.
- [39] Moore, B. (1966). *The Social Origins of Dictatorship and Democracy*. Boston: Beacon Press,
- [40] O'Donnell, G. (1996). Illusions About Consolidation, *Journal of Democracy*, 160-168.
- [41] Organization of African Unity (2001). *The New Partnership for Africa's Development*. Addis Ababa.
- [42] Pierre, J. (1996). *State Models and Economic Development*. A paper Presented at Political Science Conference, Seoul Korea 17-21 August.
- [43] Pierre, J. and Peters, B. G. (2000). *Governance, Politics and the State*. Macmillan Press Ltd.
- [44] *PNDC Rule*. Dakar: CODESRIA
- [45] Prezeworski, P. (1991). *Democracy and Market; Political Economy Reforms in Easter Europe and Latin America*. Cambridge University Press.
- [46] Reduction' in, Besley, T and Cord,L.J. [ed] *Delivering on the Promise of Pro-Poor Growth: Insights and Lessons from Country Experience*. Washington, DC. The World Bank.

- [47] Rhodes, R.A.(1997).*Understanding Governance, Policy Networks, Governance Reflexivity and Accountability*. Buckingham Open University Press.
- [48] Salim, M. (1999). *African Democracies and African politics* (page 1-15). USA, London: Published by Pluto Press; 345 Archway Road London N6 5AA and 23883 quick silver Driver, sterling VA 20166-2012 USA
- [49] Scheduler, A. (1998). *State Power and Accountability in Developing Countries*, Lynne Rienner.
- [50] Wildavsky, A. (2006). *Linking Politics With People*. University of Gothenburg Press.
- [51]World Bank (2000). *Sub-Saharan Africa: from Crisis to Sustainable Growth. A Long Term Perspective Study*. New York: Oxford University Press.