Strategic Network on New Development Planning – Inception Stakeholder Workshop ISSER Conference Centre, The University of Ghana - 1 June 2017

Dr Nii Moi Thompson - Director General, National Development Planning Commission (NDPC)

Dr Thompson's presentation 'Random Thoughts on Development Planning' focused on the justification for a long term national development plan for Ghana highlighting the key issues Ghana need to address. These included confronting the fear of the future, implementing the seven year development plan and the importance of long term planning.

The Seven Year Development Plan

Dr Thompson commenced the presentation describing the Seven Year Development Plan as a medium term plan rather than a short term plan,

"The economic policies to be realised under this and successive plans of economic development will lack direction and consistency unless they are firmly related to a clear vision of the structure of the economy towards which the country is moving. It is only with a longer view that it is rational to project any radical transformation of an economic system. Transformation cannot happen in the short to medium term, therefore there has to be a long term view. Because of this it is understandable that political parties, who have mandates of only 4 or 8 years, initiate medium term plans.

The phrase "in the very short period we will remain prisoners of our past" refers to the structure of the economy which cannot change. Ghana inherited the colonial structure and in the short term we are tied to this. The only way Ghana can free itself from this is to have a long term vision therefore a long term plan is needed. Because of the lack of long term plan Ghana remains in stagnation.

Vision 2020

Everyone in Ghana has heard about Vision 2020 (a long term 25 year plan which was never published) However because of preparation challenges, delays and change in government the whole programme stalled.

We must remember however that 40 years in the timespan of a nation is nothing; 40 years will come and go just like that. What this tells us is that, contrary to the fears that we have, the future is already here and we are better off preparing now than staying around and hoping. The 40 years plan is not going to be a single uninterrupted 40 year plan that ties the hands of successive governments. It's actually four ten year plans and within those four years there is also the possibility of reducing them to annual plans giving parliament the ability to review the 40 year plan every ten years.

A lot of the problems we are facing today are because we don't have a long term vision a road map of where we want to get to. Statistically, we have more high school aged children outside the education system when in reality we need all the human skills for national development. This causes problems from the very beginning.

Lack of planning has also caused issues with the electricity supply in Ghana. Ghana has been experiencing power rationing 'Dumsor', for the last 20 years and this issues features prominently in the media. Through lack of planning the entirety of Sub-Saharan Africa produces less energy than South Korea despite having 18 times its population - this is precisely because we didn't have a vision and therefore the electricity consumption in Ghana has remained stagnant.

All planning must start with the population because there is a need for housing, education, etc. We talk about Basic Education Certificate Examination (B.E.C.E) and think it was designed to test the knowledge of our school aged children however B.E.C.E was actually designed to keep children out of secondary school – the research and documents are there to support this. So rather than

Strategic Network on New Development Planning – Inception Stakeholder Workshop ISSER Conference Centre, The University of Ghana - 1 June 2017

investing to expand secondary school education and creating opportunities for all Ghanaian kids, there have actually been restrictions to access secondary school education. The examples of electricity consumption and education are just two of the examples of how Ghana is failing to plan.

We need to have a sense of our population as this is a major precondition for planning. If you don't know this information everything else falls apart; education, health and transportation systems. We need to have a sense of what the population is going to be and a prediction of the levels and growth of the economy in order to take care of the needs of the population.

Virtually every developed country has a long term plan, they may not talk about it but they have one. Norway's long term development plan is fascinating - the challenges they see in the future and how they are going to address those challenges including population growth rates which are declining is enlightening. Their strategy is to turn to developing countries to make up their population shortfall through immigration. The U.S is also addressing this issue through the visa lottery but this is a strategy to take the best out of our country. We need specialist skills in Ghana but they are taken away. Conversely Japan and South Korea actually give incentives for people with low skills to leave the country so that they will be left with only those with high skills to raise productivity.

In Ghana a lot of our young people are saying that they want work but the sad truth is that they are unemployable in the modern economy. In order to improve the situation there are certain preconditions Ghana would have to meet, to bring down inflation, improve exchange stability and finance private sector growth. These three indicators are very critical and NDPC is already engaging the government on these issues, once these three indicators are under control Ghana can proceed to grow the economy. The private sector is seen as the engine of growth but there are limited ways to develop the private sector with interest rates of 31%, China for example has interest rates of 4.5%.

National Development Infrastructure Plan

NDPC has a team dedication to working on the National Infrastructural Plan (NIP) which addresses the issues of lack of supply of electricity and water and transportation, how the full benefit can be extracted by using long term plans.

Despite these issues the informal sector is growing due to the decline in the manufacturing sector. Ghana has to stop hoping that things will work out because clearly we hoped and they haven't, instead we need to plan.

The National Development Infrastructure Plan runs from 2018 to 2057. It includes plans for expanding the manufacturing sector and developing Labour Markets Information Systems (LMIS) to act as a tracking tool. This plan cannot be the responsibility of a single government; each successive government must build on this plan.

It must also be remembered that Ghana must have a long term plan to develop and satisfy multinational companies who have a presence in Ghana. Every single multinational company (MTN, Barclays, Standard Chartered, etc.) have at least 50 year long term plans An example of a country following a long term development plan is Turkey. Turkey has a 50 year long term plan which is scheduled to end on the 100th anniversary of modern Turkey in 2023. One of the important goals was to raise the living standard ant to protect Turkish civilization and values. They are thinking at the strategic level whilst we only thinking short term – this has to change.