



TRADES UNION CONGRESS (GHANA)

WORKERS' MANIFESTO

TUC'S VISION FOR GHANA

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FOREWORD

The Trades Union Congress (Ghana) has played a very important role in the political, social and economic development of Ghana. The role of the union in the struggle for independence from British colonial rule stands out as one of its greatest achievements.

Sixty-six years after political independence, Ghana is struggling to achieve economic independence. We still rely heavily on external support, in spite of our enormous natural resource endowment. In 2022, following a debt crisis, Ghana sought a bailout from the International Monetary Fund for US\$3 billion. This was the seventeenth time Ghana had sought (IMF) support since 1967.

We attribute the state of affairs in the Ghanaian economy to poor economic management and a lack of vision in planning the use of our resources. In the last four decades or so, Ghana has implemented an economic management framework based on the Washington Consensus which is underpinned by the free market ideology. It is now very clear that the neo-liberal approach to economic management is not appropriate for Ghana. We need home-grown solutions to our social and economic challenges.

The economy is too important to be left in the hands of politicians. We should all get involved in the management of the economy and our national resources. This Manifesto presents TUC's vision for Ghana and outlines TUC's positions and views on key policy areas including *Social Policy, Economic Policy, Labour Market policy, Social Protection Policy, Energy and Power Policy, and Governance*.

The Manifesto provides the basis for our engagement with government, political parties and civil society organizations towards social, economic and political development of Ghana.

We still believe very strongly that Ghana can build an economy and a society that work for each and every Ghanaian. Let's build it.

Dr. Anthony Yaw Baah

Secretary General

Trades Union Congress (Ghana)

INTRODUCTION AND BACKGROUND

The Trades Union Congress (TUC) envisions a Ghanaian society where every citizen is *recognised* and the rights of every citizen are *respected*. We want a society where, collectively, we live and work together in unity to create opportunities that allow each person to enjoy decent and fulfilling lives by contributing meaningfully to their own development and to the social, economic, cultural and political development of Ghana.

Thus, the TUC is not only interested in the *outcome of development* but equally importantly, the union is interested in *the process of development*, since that is the means by which individuals can fully express their full potentials.

That is why we have always kicked against the neo-liberal ideology which promotes individualism and competition as a means of tapping human potentials. We believe that co-operation with one another is the most effective instrument for tapping the individual human potentials towards the achievement of collective aspirations and societal goals. Indeed, *co-operation* and *solidarity* are the very basis of trade union existence and practice. Other principles and values that guide our actions include *unity, collectivism, democracy, independence, social and economic justice* and *fairness*.

In the last three decades, under the Fourth Republic, Ghana has enjoyed relative stability and prosperity. But the situation in the country in the last couple of years indicate clearly that Ghana needs urgent economic and political transformation. Ghanaians are rapidly losing faith in our type of democracy partly because of corruption and abuse of power by the political elite.

Official statistics show a decline in the incidence of poverty in the last three decades yet 3.7 million (11.3%) Ghanaians are currently (2023) considered extremely poor, based on the international poverty line of just US\$1.9 per day or US\$57 per month. This gloomy situation is attributed to a number of factors including limited access to quality education, inadequate healthcare, low productivity and poor yields in agriculture (where a significant share of the Ghanaian workforce earns a living), income inequality, and pervasive corruption. This means the economic gains of the past three decades have largely benefited a few privileged people.

The economy of Ghana is now in crisis. Economic growth has decelerated sharply, cost of living is rising on daily basis as real incomes and standard of living decline. Confidence in government and the state has ebbed. The country has reached a dangerous point of polarization where nearly every discourse is conducted strictly along party and ethnic lines.

As the country heads to the polls in 2024, amid the current economic gloom, there is deep sense of frustration. As usual the two main political parties – National Democratic Congress (NDC) and New Patriotic Party (NPP) – and their candidates are making promises in the political marketplace. Rhetoric and personality attacks dominate the partisan political discourse. The real and substantive social and economic issues that matter for the present and future of Ghana are relegated to the background.

This non-partisan *Workers' Manifesto* outlines TUC's vision for Ghana. It provides the basis for our engagement with political parties, civil society organizations and governments towards social, political, cultural and economic development that benefits each and every Ghanaian, regardless of sex, ethnicity, and location. We hope

that it can help shape and transform the political discourse away from personality attacks and other trivialities to substantive issues presented in this Manifesto.

The vision is presented under five key policy areas. **Section 1** deals with Social and Human Development policy. **Section 2** presents our views on Economic Policy. **Section 3** is about Labour Market Policy. **Section 4** discusses the management of our Energy and Power resources. **Section 5** deals with issues about Governance (with a special focus on the need for constitutional reforms). **Section 6** is about our environment. **Section 7** is the Conclusion.

SECTION 1

SOCIAL AND HUMAN DEVELOPMENT POLICY

1.1 HUMAN DEVELOPMENT

The TUC is committed, first, to human development. We will always support policies and programmes that seek to expand human capabilities and attainment of their full potentials including policies and programmes on the following:

- Food security and nutrition;
- Affordable housing;
- Adequate sanitation;
- Universal access to potable water;
- Access to quality education and training;
- Access to affordable health care service (including mental health care) in all parts of the country;
- Eradication of avoidable maternal and infant morbidity and mortality;
- Eradication of Malaria and other perennial diseases;
- Improved transportation network;
- Safety on our roads and in other modes of transportation;
- Improved personal, community and national security;
- Respect for human rights (with special reference to the rights of children and women);
- Social protection and adequate care for the aged, the sick and the handicapped;
- Respect for workers' rights;

- Respect for the rights of prisoners and other vulnerable groups;
- Eradication of child labour;
- Eradication of poverty; and, ultimately,
- Fulfilling lives for all Ghanaians.

1.2 Access to Food and Nutrition

Ghana cannot achieve its development potential unless it can guarantee food security and sufficient nutrition for its citizens. The number of food insecure people increased from 2.1 million between 2014 and 2016 to 2.5 million between 2017 and 2019. Food expenditure has remained high accounting for about 45 percent of total household expenditure. Poor households have become extremely vulnerable to price shocks, which often lead them to reduce the quality and quantity of food they consume.

Food insecurity naturally breeds malnutrition, which manifest in stunting, underweight, wasting and overweight. The national prevalence of chronic malnutrition (stunting) stands at 19 percent. It is 33 percent in the northern part of the country. Almost one in every five children under 5 years is stunted while one in every ten children under five is underweight. Almost 2 in 3 children between six months and two years of age are not fed with food that supports their rapidly growing bodies and brains. Prevalence of anaemia among children between 6 and 59 months is 66 percent.

The nutrition status of Ghanaians will ultimately determine the pace and quality of our social and economic development. Undernutrition, particularly in infancy and childhood, contributes to low intelligence and low productivity in adulthood. It increases the risk of illness, poor human development, lower economic growth and ultimately high poverty rates.

Fortunately, Ghana is blessed with abundance of arable land and a teeming youth whose energies can be channeled to provide food on a sustainable basis for all Ghanaians.

We believe that Ghana can feed its population. That can be achieved by subsidizing farmers through the provision of inputs and extension services. If imports of food items are limited and Ghanaian farmers are guaranteed market for their produce Ghana will achieve food security within a short period of time.

1.3 Access to Education and Training

Access to education has improved in recent decades but challenges remain. According to the last Population and Housing Census conducted in 2021, adult literacy rate for the population aged 15 and older was 70 percent (GSS, 2021). The rate was higher for men (74.1%) compared to women (65.4%). This means nearly one in every three of the adult population could neither read nor write. Only 71 per cent of children completed primary education.

The last Ghana Living Standards Survey (GLSS) conducted in 2017 showed that nearly 20% of the adult population had no formal education and just about a quarter had received secondary education or higher (GSS, 2019)¹.

We need to do more to ensure that all children of school-going age are in school.

We must improve access to higher level education. Concentrating on primary and secondary education alone will not give us the engineers and scientists we will need for the fourth Industrial Revolution.

1 The corresponding figure in terms of secondary education in South Korea is 70 percent. This partly explains the steep development gap that now exist between South Korea and Ghana.

The poor quality of education in Ghana remains a huge challenge and we must pay special attention to it.

The purpose of education must be to help society to navigate its way out of underdevelopment. Therefore, we need a new ethos for national education - one that emphasizes the acquisition of advanced skills particularly in Science, Technology, Engineering and Mathematics (STEM).

We must train, recruit and motivate more teachers in all fields and at all levels of education.

Other measures that can enhance the quality of education include:

- Provision of guidance and counselling for career choices and development;
- Provision of special incentives to improve rural school enrolment;
- Provision of special incentives for female enrolment in schools;
- Support for the poor to have unhindered access to all levels of education;
- Relevant education for people with disability and the aged through formal or non-formal education; and
- Incentives for expanding access to modern information technology (computers) in all schools, workplaces and homes.
- Motivate teachers at all levels of education with good pay and improved conditions of service.

Policy makers should always bear in mind that provision of quality education is the only way by which we can put to use the vast arable land and guarantee food security for our people. It is the only way, we, the people of Ghana, can sustainably exploit our gold, diamonds, bauxite and oil and not leave them in the hands of foreigners.

1.4 Access to Housing, Water, Electricity and Sanitation

In the last three decades or so, Ghana has improved access to water and electricity. Currently, about 96% of Ghanaians in urban areas and 74% of those in rural communities have access to basic water supply. The corresponding figures for electricity are 91% and 50% respectively. One great achievement Ghana can boast of is the total eradication of guinea worm disease in the country. We believe that, it is possible to achieve universal access to clean water and electricity in Ghana in the medium term.

However, Ghana has performed very poorly in sanitation. Current estimates show that just about 25% of Ghanaians have access to basic sanitation; 57% use shared toilet facilities; and 18% defecate in the open. The Institute of Environment and Sanitation of the University of Ghana, Legon, estimates that 16 million Ghanaians use unsanitary or shared latrines while 4.8 million have no latrines at all.

The situation is even worse in terms of housing. Current estimates put Ghana's housing deficit at 1.7 million units. Annual housing output is estimated at 4,500 units built mostly by private property developers. This means that 90 percent of Ghana's housing needs is unfulfilled.

Government interventions in the housing sector in the name of 'affordable housing projects' have failed to solve the housing problem. House prices are high and above the incomes of most Ghanaians.

Dilapidated housing and poor sanitation are a visible testament of underdevelopment. The lack of decent housing and poor sanitation do not only degrade our people physically, but they also fester illnesses that impede healthy growth and, ultimately, national development.

We must prioritize the implementation of social housing programmes on a mass-scale (as public good) and improve sanitation for the poor and vulnerable in our society.

1.5 Access to Healthcare Services

In the last three decades there has been some improvement in healthcare. For example, under-five mortality decreased considerably from about 80 to 40 deaths per 1,000 live births between 2007 and 2017. The prevalence of malaria in children under five reduced significantly, from 26.7% in 2014 to 8.6% in 2022 (USAID, 2022). Maternal mortality rate has also reduced from about 600 per 100,000 live births in 1990 to 310 per 100,000 in 2017². We have also made considerable progress in health financing following the introduction of the National Health Insurance Scheme (NHIS).

However, as with most other social and economic indicators, regional disparities persist. The health outcomes in the Northern parts of Ghana feature high levels of under-five malnutrition, severe anaemia, child mortality and maternal mortality. Rural communities across the country have lower coverage of basic health services. In these communities limited access to improved water sources, poor sanitation, widespread open defecation increases the risks of infectious diseases and mortality rates.

Ghana is now suffering from what is commonly described as the “double burden” of diseases. While still grappling with Communicable Diseases (CDs) – infectious and parasitic diseases, there is a significant and almost abrupt shift to Non-Communicable Diseases (NCDs), with cardiovascular diseases like stroke and hypertension at the forefront. Our healthcare system is not robust enough to address the rapidly changing pattern of diseases.

2 Ghana Maternal Health Survey, 2017.

Shortages of essential healthcare workers and their skewed distribution still pose a great challenge. Mortality rates are higher in rural communities than in urban areas mainly because of the skewed distribution of personnel and facilities. More deaths are recorded from referral cases because of poor transportation and other logistical constraints.

Mental health is almost completely neglected. There are only three Mental Hospitals in the country, and all are located in the southern belt. Mental healthcare is allocated less than 2 percent of total healthcare budget. Mental healthcare is not covered by the National Health Insurance Scheme. There is only one psychiatrist for over 100 000 people.

This means that there is virtually no care for the estimated 2.3 million people affected by mental health conditions. In rural Ghana, only 2 percent of people receive psychiatric treatment and support³. The sight of fellow men and women suffering from mental derangement roaming the streets of our major cities and towns is worrisome. We believe that universal health coverage is possible in Ghana.

We must improve the doctor-population ratio by expanding the facilities for training of doctors and we must improve their conditions to stop them from leaving the country.

Ghana can and must end open defecation. At the very least the District Assemblies must be supported to enforce laws on sanitation.

We must strengthen the National Ambulance Service to ensure that ambulances will always have fuel and the right of passage on our busy roads in the cities.

We must introduce special programmes to address the rampaging effect of non-communicable diseases.

3 WHO, 2022.

We need to intensify public health education on NCDs and their underlying lifestyle causes. This must include preparing our health personnel and the facilities to deal with the trend increase in the NCDs.

The following are other measures that can enhance human development:

- Support for families, especially single mothers;
- Social protection for workers in both formal and informal segments of the economy and the introduction of additional contingencies into the social security scheme including unemployment insurance, child care, care for the aged and persons with disability;
- Public health education and increased public financing to protect people from infectious diseases including HIV/AIDS and Non-Communicable Diseases (NCDs);
- Treatment and support for people living with HIV/AIDS;
- Health insurance for all, especially for the poor and vulnerable who cannot afford healthcare;
- Respect for human rights including the rights of workers, women and children;
- Equal opportunities for men and women to participate in the wealth creation process (through the generation of productive and decent jobs) in a humane working environment where workers and trade union right are respected;
- Living wage for workers;
- Equitable distribution of incomes;
- Protection of the environment from *galamsay* activities;
- Efficient use and allocation of human and natural resources;
- Increased government expenditure on social and economic infrastructure;
- Creation of opportunities for special groups (women, youth, physically and mentally handicapped);

SECTION 2

ECONOMIC POLICY

2.1 Macroeconomic Policy

The current macroeconomic policy framework is a relic of the Structural Adjustment Programme (SAP). It prioritizes macroeconomic stability which is loosely defined as the *attainment of positive economic growth, single digit inflation, stable exchange rate and, positive balance of payment.*

Employment is missing from the framework because it is assumed, without any evidence whatsoever, that growth and macroeconomic stability automatically lead to the creation of employment.

This framework must change because we believe that it is the source of the unemployment challenge in Ghana.

2.2 Economic Growth

Since the Structural Adjustment Programme, economic growth, measured by growth in Gross Domestic Product (GDP), has become one of the topmost priorities of economic policy in Ghana. The assumption is that GDP growth *per se* is sufficient condition for creating employment, regardless of the sources of growth.

Between 1984 and 2000, economic growth in Ghana averaged about 4.5 percent. Growth picked up significantly after 2000 reaching over 6 percent. In 2008, economic growth was 7.3 percent. Again, GDP growth improved significantly, peaking at 15.0 percent in 2011 with the commencement of commercial oil production. Growth averaged 8.66 percent between 2008 and 2012. For the period between 2017 and 2019, GDP grew by an average of 7 percent. It was projected

to grow at 6.8 percent in 2020 before the COVID-19 pandemic cut growth to less than 1 percent.

However, there is hardly any evidence that GDP growth in the last 40 years has created decent employment in Ghana.

Another issue with economic growth in Ghana is that it has been driven principally by the export of natural resources and raw materials. Oil, cocoa and gold make up a huge share of national export revenue. Export diversification, which was expected to follow the liberalization policy did not happen. Non-traditional exports remain low and are still overwhelmingly dominated by primary commodities (fish, shea-butter, etc.) with virtually no processing.

Thus, economic growth has done very little to transform the underlying composition of our exports.

The composition of GDP has changed significantly in the last few years. Agriculture has declined in terms of its contribution to GDP. The services sector is now the largest contributor, accounting for more than half of GDP. But Ghana has not achieved true structural transformation in the traditional sense. At best, what has happened in Ghana can be described as *perverse transformation*. While the share of agricultural sector in GDP has declined, a very significant proportion of the workforce is trapped in low-productivity agricultural employment.

Moreover, the existing macroeconomic policy framework did nothing to boost industrial growth. Rather, it constrains the growth of industry. Between 1995 and 2014, the manufacturing sector grew by just about 3.3 percent, well below overall output growth. Much of this growth came from small firms that neither undertake export nor offer sustainable employment.

The only sector whose contributions to both GDP and employment has increased over the period is the services sector. The contribution

of the services sector to output increased from 38 percent in 1985, to more than 50 percent of total output in 2017. Similarly, its share of employment increased from 26 percent in 1984 to 43.5 percent of total employment in 2017, overtaking agriculture's contribution to employment for the first time.

Clearly, we need to change the macroeconomic policy framework. A change that does not only lead to faster economic growth but a change that creates decent jobs for the people of Ghana.

Macroeconomic policy must focus on addressing the employment challenge through sectoral diversification, upgrading human capacities, and improving public infrastructure to ensure equity in standards of living for all Ghanaians.

At this stage of development economic policy must not be welded to any rigid set of principles as contained in the Washington Consensus. Under-development is a complex phenomenon and the task of overcoming it is equally complex, particularly in the current context of globalization.

2.3 Inflation and Interest Rate

*Inflation has been a longstanding problem of the Ghanaian economy. The anti-inflationary posture of the current macroeconomic framework is usually justified based on the historical experiences of the country. In the early 1980s, just before the introduction of the Economic Recovery Programme, inflation had reached 123 percent. Reversing the inflationary pressures became one of the immediate objectives of macroeconomic policy at the time. Since then, the war on inflation has assumed extra importance. In 2002, the Bank of Ghana (BoG) officially adopted *inflation-targeting* approach to central banking. This makes the fight against inflation its primary objective.*

There are fundamental questions over the approach to fighting inflation in Ghana. Keeping inflation low may be good for ordinary

citizens and for businesses. The problem is not targeting low inflation but it is BoG's obsession with *single-digit* inflation. BoG is yet to produce evidence that single-digit inflation is the optimal inflation rate for Ghana. Early empirical work on the relationship between inflation and growth found little evidence of a negative relationship between the two especially when inflation is below 40 percent⁴.

The pursuit of single-digit inflation has impacts for growth and employment. It is important that the inflation target at any given period is empirically derived and properly justified. Choosing wrong targets and instrument has serious implications for growth and employment. The current inflation-targeting framework 'forces' the monetary authorities to choose one target (i.e., a single-digit inflation) and one instrument (i.e., the Bank of Ghana Policy Rate). In general, the inflation-targeting framework has become associated with restrictive monetary policy leading to high interest rates which stifle growth of local businesses due to high cost of borrowing⁵.

*The idea that raising **interest rates** can curb inflation in Ghana might be a catastrophic mistake of incorrectly matching instruments to targets.*

The Bank of Ghana assumes that inflation in Ghana is a monetary phenomenon in which excess money supply translates into higher demand for goods and services leading to rising prices. Raising interest rate is equivalent to reducing money supply and dampening

4 Recent studies that incorporate non-linearities and threshold effects find that for most developing countries, growth begins to decline when inflation rates hit between 14 and 18 percent (Pollin and Zhu, 2009; Anwer and Islam, 2011). These rates are way above the 6 to 8 percent range set by the Bank of Ghana.

5 With open capital markets, high interest rates often lead to inflow of short-term capital – overshooting the real exchange rate in the process. This is detrimental to exports, employment, and growth (Epstein and Yeldan, 2009; Rodrik, 2008).

demand. We think this is a faulty analysis of inflation in Ghana and its causes. We are sure that experts at the Bank of Ghana know that inflation in Ghana is primarily due to supply constraints or external shocks. That is the reason why inflation is usually low during the months of harvesting when food supply is in abundance⁶.

We must, therefore, fight inflation by tackling the supply constraints and limiting the exposure of the economy to external shocks. The pursuit of prudent monetary policy must include the achievement of low interest rates.

By raising its policy rate in response to rising inflation, the Bank of Ghana is merely responding to supply shortages or external price increases with a policy designed to reduce domestic demand. And that could be a double whammy for the economy. While failing to do the job of curbing inflation, interest rate hikes have tended to deflate national output by reducing the capacities of local businesses to expand and create jobs.

Another problem with the inflation-targeting regime in Ghana is the assumed transmission mechanism between monetary policy and the macro-economy. That transmission is either non-existent or extremely weak. When the Bank of Ghana lowers its interest rates, it is expected that banks would respond by lowering interest rates on loans they grant to their customers. For the most part, the banks are unresponsive. This raises their interest margins and profits with no commensurate reduction in the cost of credit. When the Bank of Ghana increases its interest rates as it seeks to lower inflation, the banks respond promptly by raising their lending rates and widening interest rate margins further. The banks then become the biggest beneficiary of a flawed and unresponsive system.

6 This also explains the absence of inflationary pressures in the Gold Coast in early years of the cocoa boom, when production of food crops correlated positively with cocoa planting (see Frimpong-Ansah, 1991).

At the beginning of 2018, the so-called policy rate of Bank of Ghana was pegged at 20 percent. This was at a time when inflation was 11.8 percent. The average lending rate for the commercial banks was pegged at 29 percent. Today, the BOG prime rate tops 30 percent and average lending rate exceed 35 percent. Combined with other hidden costs including processing fees, the cost of credit in Ghana is too exorbitant. This places Ghanaian businesses at a disadvantage relative to businesses in other jurisdictions.

Businesses, especially the smaller ones have persistently complained about the high rates. The Association of Ghana Industries (AGI) and its members have consistently singled out the lack of access to credit and high cost of capital as their topmost constraints.

Governments over the years have recognized the challenges posed by the high interest rates. But their approach for dealing with the high interest rates has been to appeal to the banks to reduce their interest rates. As expected, the appeals have fallen on death ears. It is impossible for businesses to expand and create more decent jobs at such high interest rates in the range of 20 to 40 percent. At these rates, the rest of the business community is essentially working for the banks. The economy cannot grow to create jobs when only the banks are making supernormal profits and other businesses are making losses.

We cannot continue to appeal to the moral conscience of profit-seeking banks to reduce their interest rates. The high interest rates reflect general lack of trust in the system, which makes borrowing and lending a very high-risk business.

We need to restore trust in the economy. That means all institutions connected to the financial system, either directly or indirectly, must function effectively.

In the short to medium term, we may need some strategic interventions in the money market by both the fiscal and monetary authorities. We continue to advocate for capping the spread between the lending and deposit rates as a means of boosting savings and investments.

2.4 The Role of the Bank of Ghana in Social and Economic Development

The history of economic development has countless examples of central banks playing key roles in shaping broader economic policy and, most importantly, making funding available for other important development and transformational projects⁷. With the adoption of Washington Consensus policies, most central banks, including the Bank of Ghana, abandoned their developmental roles and opted to follow the consensus policy of inflation-targeting as their preferred approach to central banking.

In the past, central banks, in both developed and developing countries, have been part of the broader policy apparatus to drive development. Central banks then focused on multiple targets and they utilized multiple instruments to achieve their targets. For example, after the Second World War, central banks in Europe and Japan made use of policies such as interest rate ceilings, subsidized credits and directed credit lines to facilitate reconstruction and industrial upgrading⁸. Ghana implemented similar policies in the 1960s and 1970s when loans for farming attracted lower interest rates.

Many Central Banks are now broadening their mandates or seeking to do so with more specific development goals and broader set of tools. The Central Bank of Bangladesh, has partnered domestic

7 Bloomfield, 1957; Brimmer, 1971 Chandavarkar, 1987; Epstein, 2007.

8 Hodgman, 1973; U.S. Congress, 1972, 1981; Zysman, 1983

commercial banks and cooperative institutions to deliver subsidized credit for small businesses, improving renewable energy for agriculture and increasing assets of small farmers and helping to develop agricultural assets for landless farmers⁹. The Ecuadorian Central Bank has explicitly adopted financial inclusion as one of its key mandates¹⁰.

In 2019, the central bank that initiated inflation-targeting in the 1980s, the Reserve Bank of New Zealand, switched to a “dual mandate”. In addition to taming inflation, it now seeks to maximize employment. In the United States, the Federal Reserve Bank commenced wholesale review of its monetary policy framework. It now prioritizes the goal of maximizing employment and it is willing to accept inflation rate above its target. The Bank of Japan says “there is room to consider the idea ... that monetary policy should focus more on jobs and income conditions.”

But our central bank, the Bank of Ghana, seems be stuck with the singular mandate of price stability (inflation). As a result, it continues to implement policies that have produced one of the highest interest rates in the world¹¹.

The Bank of Ghana has enormous resources including intellectual capacity to move beyond the narrow confines of inflation-targeting and into the broader arena of development.

The Bank of Ghana must have a broader mandate: fighting inflation, achieving sustained economic growth and creating decent employment. By this the pool of economists at the Bank of Ghana

9 Epstein, 2013; Muqtada, 2014

10 Arias, 2014

11 The Bank of Ghana strongly denies the accusation that it is not concerned about employment. In fact, it has lately tried to convince itself that its mandate also includes delivering on economic growth, which it believes should be enough for employment generation.

would begin to understand that the economy of Ghana is not merely about inflation, interest rates and banks or financial institutions. They will begin to learn how decisions of the Monetary Policy Committee affect employment creation.

2.6 Public Debt, Government Revenue and Expenditure

In 2022, Ghana officially defaulted on its debts. The country embarked on a debt exchange programme. Excessive expenditures, excessive borrowing and failure of revenue policies have all contributed to this situation. Given the low revenue base, national investments in health, education and infrastructure in the last decade has been accomplished through massive borrowing.

At the end of 2022, total public debt (broadly defined) was more than 100 percent of GDP. Ghana is now devoting more than half of its tax revenues in servicing debts, leaving practically nothing for investments in the sectors that can spur growth and development.

Since independence, Ghana has consistently run budget deficits. The deficit tends to widen during election periods, depicting the political business cycle. The primary source of the deficit has been excessive spending and the low revenues due, mainly, to the inability of the state to collect tax revenues. Economic activities take place mainly in the informal economy and those activities are not directly taxed. Governance inefficiencies and corruption play a big role in the fiscal deficits. They considerably reduce revenue that is mobilized and significantly increase national expenditures.

On the expenditure side, we need to stop the malfeasance in the management of public of funds that has been captured in almost all Auditor-General's reports.

On the revenue side, the state appears to have forfeited its legitimate right to tax profits from its most abundant resources (e.g., mining)

and foreign goods (tariffs). The largest companies in the natural resource sector have continued to enjoy massive tax incentives, which tend to deprive the state of resources for national development. The state is, therefore, compelled to tax consumption. Since incomes are low (and many people do not consume via the market) the state is not able to generate much revenue from consumption-based taxes. The situation is compounded by the indiscriminate granting of tax exemptions. VAT and customs exemptions are estimated at 4 percent of GDP.

Aggressive revenue mobilization is the ultimate solution. There is urgent need to plug the loopholes in the tax system. We must implement the tax exemption bill and move further to streamline the exemptions regime. The country must also build capacity to implement property taxes.

In addition, we need a thorough review of our mining and petroleum sectors and their contribution to tax revenue.

Ultimately, Ghana must at least own majority shares in companies that are exploiting our natural wealth.

2.7 Trade Policy

A key element of the neo-liberal economic policies of the 1980s was the liberalisation of international trade. Before the structural adjustment programme, Ghana implemented Import Substitution Industrialization (ISI) programme. The ISI entailed measures that sought essentially to limit imports. The policies adopted for this purpose included erection of high tariff walls, import quotas and outright ban on the importation of some products. The idea was to reserve the domestic markets for firms that were producing domestically and to insulate infant industries from unfair competition from economically-advanced countries. By affording

domestic firms the opportunity to produce for the home market, they contributed meaningfully to industrialization and creation of employment.

But the Import Substitution Industrialization programme was abandoned as part of the measures implemented under SAP. The import-licensing regime was abolished; import quotas were eliminated; tariffs were slashed for a large number of products. The other leg of the liberalization programme involved an aggressive attempt to increase exports - the so-called export-led industrialization.

The policy of trade liberalisation has had far more insidious effects. Exports increased but export growth pales into insignificance when compared to the dramatic increase in imports that followed the liberalisation of trade. Domestic firms, including firms that provided employment to a large number of the labour force, have been wiped out. Ghana now imports almost everything that can be produced locally including rice, sugar, poultry products, tomato paste, toothpick, gari and charcoal.

Any policy or programme that curtails an economy's ability to produce is essentially denying the country the opportunities to develop and create decent employment. This is exactly what the current trade policy has done to the economy of Ghana.

Unbridled trade liberalization has destroyed both manufacturing and agriculture. As imports surge, the current account deficit has not only persisted, but it has grown. And as the current account deficit widens, the Balance of Payment constraints to growth and employment begin to bite. One immediate effect is the persistent depreciation of the national currency, the Ghana Cedi. In 2008, the exchange rate of the Ghana Cedi to the US dollar was GHS1 to US\$1. Today, the exchange rate is almost GHS12 to US\$1. Since Ghana relies heavily on imports of most essential goods such as medicines

and food, the massive depreciation of the Ghana Cedi has had very devastating effects on living standards.

The problem has to do with Ghana's trade policy over the last 40 years. It is the indiscriminate and sweeping trade liberalisation in the context of weak domestic productive capacity that has subdued growth and destroyed employment.

A new approach to trade is needed, if it is to become the pillar for transformation, sustained growth, and creator of decent employment.

That approach must recognize three things:

First, that in the development process the structure of an economy matters for economic growth. One cannot hope to benefit from trade simply by concentrating on one's static comparative advantage in commodities. There is need to acquire a new comparative advantage in manufacturing¹².

Second, for Ghana to acquire new comparative advantage in manufactures it must do what all other industrialised countries have done in the past (i.e., protect industries with positive externalities). Protectionism is much derided in orthodox trade economics. But it is what has done the job for all countries that have industrialized¹³.

Thirdly, import liberalization has never been part of any successful strategy of development or even global integration. The countries

12 At all times in the history of mankind the terms of trade between industry (manufactures) and agriculture (raw materials) have favoured the former. Forty years ago, a ton of cocoa from Ghana buys one VW. Today one needs more than twenty (20) tons of cocoa in order to buy one VW.

13 Nicholas Kaldor, the distinguished Cambridge Economist, used to tell his students three things about development: First, the only way for a country to develop is to industrialize; second, the only way to industrialize is to protect itself (protect domestic industry from unsustainable competition); and third, anyone who says otherwise is being dishonest!

that successfully transformed their economies and achieved global integration did so through expansion of export while limiting imports¹⁴.

Ghana must make use of the remedies that are allowed in the world trading system to shield our nascent domestic firms from destructive competition.

2.8 Investment Policy

In the last four decades, national invest policy has focused almost exclusively on attracting foreign direct investment (FDI). Ghana has offered overly generous fiscal incentives to multinationals and foreign firms to get them to invest in our economy. In the export processing zones, firms have long periods within which they are not required to pay taxes. In return, they are expected to export 70 percent of their products. Evidence is mounting that most of the firms are not adhering to their export commitment. In the natural resources sector, multinational corporations which are mining gold and extracting crude oil have been granted generous fiscal incentives that are often protected through long-term stability clauses.

The huge fiscal incentives have only succeeded in attracting investments into the natural resource sector which have very little linkages with other sectors of the economy. Effectively, nearly 90

14 It is true that trade played a big role in the East Asian Miracle. The countries there transformed their economic structure and created employment through trade but without liberalization of their home market. Their budding enterprises needed that market as breeding ground to make their mistakes before launching onto the export market. Ghanaian enterprises have been denied such opportunity. Instead, they are being asked to compete on the external market even as they are so badly beaten in their backyard – the domestic market. This has resulted in high attrition rate and a ceiling on enterprise expansion including the employment they could offer. According to UNCTAD (2013) import liberalization is neither necessary nor sufficient condition for economic transformation or global integration.

percent of our mineral wealth leaves the country annually. The proceeds from gold, oil and other resources are not available for re-investments in other sectors of the economy. The telecommunication sector is exclusively in foreign hands. Ghanaians can hardly see any benefit they derive from our huge natural wealth.

We must continue to encourage FDI into the country, but we must significantly reduce our generosity in terms of fiscal giveaways.

Instead, the national investment policy must focus on supporting domestic private sector which is still regarded as the "engine of growth".

We must switch the fiscal incentives from the natural resource sector to manufacturing. And any such incentives must be tied to the creation of decent employment.

Concessional lending to the private sector will enable them to expand production and employ more people.

We must improve infrastructure to lessen the burden of the domestic private sector.

2.9 Agriculture and Industrial Development

After 65 years of independence, Ghana's agriculture is in the hands of peasant farmers who cultivate very small acres of land. Farming methods remain rudimentary. Farmers continue to slash and burn with cutlass and hoe as they pray for rains. With no storage facilities, our farmers lose significant portion of their produce when they achieve bumper harvests. Price fluctuations during such periods add to their woes. As a result, productivity and incomes in the agriculture sector are very low leading to the high incidence of poverty and destitution among Ghanaian farmers.

This has adverse implications for national development. Despite the abundance of arable land, Ghana continues to be food insecure. It is a shame that we continue to import large quantities of food products including rice and other cereals, frozen chicken, meat, and tomatoes among others.

Industrial development is viable when agricultural productivity outpaces population growth. Indeed, as industrialisation advances, a nation's expenditure on food rises as well. Diverting scarce foreign exchange to import food that can be produced at home means very little foreign exchange is left for the importation of critical raw materials for industries that cannot be produced domestically. A weak agriculture sector can, therefore, constrain industrial development.

We need policies that can boost productivity and production in the agriculture sector as a means of solving the problem of food insecurity and making agriculture the main source of raw materials for local industries. This will also help to conserve scarce foreign exchange and reduce the pressure on the national currency.

Economic risks in farming are very high. Even in economically-advanced countries, agriculture is viable because farmers receive state support. This is the reason for the massive agricultural subsidies in Europe, United States, Canada and Japan.

Government must support peasant farmers with the newest technology including improved seeds, irrigation, agrochemicals and better agronomic practices) and encourage cooperative agriculture that will enable farmers to venture into largescale commercial farming.

Industrializing agriculture will also mean government should invest in storage facilities, agro-processing, and transportation of food and other agricultural produce from rural to urban areas.

Government has to guarantee prices for agricultural produce. This will strengthen the agricultural value chain while forging strong and beneficial linkages between agriculture and industry.

We also need bold measures to address the challenges relating to the land tenure system to make land available and affordable for largescale farming and other development projects.

2.10 Formalization of the Economy

The bold attempt initiated by the Convention Peoples Party Government, under Kwame Nkrumah, to formalize employment immediately after independence was brutally curtailed in the mid-1980s when the country adopted economic liberalism as part of the structural adjustment programme.

The share of formal sector jobs in total employment has since declined from about 20% of total employment to 12% over the last four decades. In 1999, the Ghana Living Standards Survey (GLSS4) estimated the size of the informal economy at around 80 percent (GSS, 2000). The GLSS5 estimated that the size of the informal economy was 86 percent in 2006. The latest round of the same survey, GLSS7 estimate the size of the informal economy at about 88 percent (in 2017). Contrary to the promise of structural adjustment, informal employment is expanding partly because the majority of SOEs that were privatized collapsed after privatization.

Despite the enormous contributions to employment and output, the informal economy has peculiar challenges. The workers in that segment of the economy face significant decent work deficit including the lack or inadequate legal and social protection. Enterprises in that sector are denied state support that could help them grow their businesses. The majority of informal economy workers live in poverty.

These challenges must be addressed by formalizing the informal economy, in accordance with International Labour Organisation Recommendation 204 (adopted in 2015).

Enterprises in the informal sector must be supported to make the transition to formality. The transition must include formalizing the employment relations that exist in such firms. The informal firms that switch to formality can be given tax incentives/holidays during the transition period.

Legal rights enshrined in our laws must be extended to informal economy operators.

There is also the need to reform business regulation processes through a decentralized system of registration.

The perennial challenges with credits and cost of capital must be addressed.

The trade policy reforms and other measures recommended in this Manifesto should help informal economy businesses to thrive.

SECTION 3

LABOUR MARKET POLICY

3.1 Joblessness

Joblessness among young Ghanaians is the greatest challenge facing Ghana today, despite the consistent economic growth Ghana has recorded in the last four decades.

Even for those who are formally employed, a greater proportion of them earns very low incomes. Many of them are not registered for social security and, therefore, not contributing to pensions. Usually, they work long hours in very unsafe conditions. This problem is getting worse because employers are constantly seeking to transform existing permanent jobs into fixed term contracts.

Young people, most of whom are educated at a great cost to themselves, their families and to the nation, are denied the opportunity to work.

The constraints to employment creation are on both the demand and supply sides of the labour market.

On the demand side, economic growth has failed to create employment in their right quantity and quality. Fewer jobs are being created in the formal economy compared to the number of jobseekers.

On the supply side, rapid population growth has meant sharp increases in the size of the population seeking employment. The numbers that are joining the labour market annually far outstrips the demand for labour. We now know that over 400,000 people join the labour market every year.

The second issue on the supply side relates to the quality of jobseekers. Most have low skills.

Addressing the (un)employment challenge requires policies and actions that would boost the demand for labour.

The demand-side constraints, especially the high cost of utilities (electricity) and the unbridled importation of foreign goods, should receive utmost attention. Government must invest in improving the quality of education

3.2 Wages and Salaries/Earnings

Low wages remain a key feature of the labour market in Ghana. Currently, the National Daily Minimum Wage is GHS14.88 or US\$1.25¹⁵ (in November 2023). The situation is similar even in the public sector where minimum pay (on Level 3 Step 1) of the Single Spine Salary Structure (SSSS) is GHS19.96 per day or GHS538.94 per month (which is US\$45.39 per month) and the maximum pay for chief directors and directors-general on Level 25 of the Single Spine Salary Structure is GHS9,625.51 (or US\$810.730 per month. The average pay on SSSS is about GHS1800 per month (US\$151.60) which is far below what is required for a decent living.

Related to the low pay is the growing level of pay inequities in the public sector. Public sector workers on the SSSS receive the lowest pay compared to those on other pay structures in the public sector, including salary structures in the State-Owned Enterprises (SOEs) and that for Article 71 office holders.

We need bold measures to deal with the low pay in both the public and private sectors.

In the public sector, there has to be a review of the Single Spine Pay Policy (SSPP). Salaries on the SSSS must take into account the essential nature of the services workers on that salary structure are providing to the public - healthcare services, education, and security.

15 The Lower International Poverty Line is US\$1.9 and the Upper International Poverty Line is US\$2.35. Over 3.5 million Ghanaians earn below US\$1.9 or GHS22.56 per day.

We need to replace the National Minimum Wage with a National Living Wage which takes into account the needs of workers and their families as stipulated in ILO Convention 131.

3.3 Social Protection and Pensions

The challenges with social protection have to do with low coverage and low levels of pensions. In April, 2023, the Social Security and National Insurance Trust (SSNIT) scheme had active membership of 1.8 million.¹⁶ This represents approximately 14 percent of the 13 million Ghanaians in the labour force. A very significant proportion of pensioners receive the minimum pension which is GHS430.58 (US\$36.27) per month in 2023.

Some efforts were made in the late 2000s to reform the social security system. The National Pensions Act, 2008 (Act 766) introduced a three-tier pension system. But it is now quite clear that the three-tier pension system has failed to deliver on its noble promise of unification of pensions, improved coverage and secure retirement income. Workers retiring under the three-tier scheme are worse off in terms of the pension benefits they receive, compared to those who retire under the old scheme (PNDCL 247) or Cap 30 non-contributory pension scheme for retired public sector workers.

There are other matters on pension that are of great concern to the TUC. One of them is the decision by government to exclude all the security agencies from the pension unification programme. This decision effectively means that government has elected to continue with the scattered and inequities in pension benefits in the public sector. The TUC has made it clear that it cannot support such policy because, first, it undermines the entire pension reform initiative under Act 766. Second, the policy seeks to perpetuate inequality in pension benefits for public servants, and, third, CAP30 under which the security agencies and others draw their pensions is unfunded and remains a major burden on the national budget.

¹⁶ Currently, there are 235,617 pensioners on SSNIT Pension Pay Role.

Another concern has to do with non-payment of pension contributions for public sector employees, especially contribution to Tier-2 schemes. Currently, government owes SSNIT and the Tier-2 schemes billions of Ghana Cedis. This directly affects the benefits from these schemes.

The social protection challenges must be tackled at two fronts. First, there is the need for measures to increase pension coverage to include workers in the informal economy. Second, pension levels must be raised to match cost of living.

3.4 Unemployment Insurance

In 2020, government made an attempt to establish a contributory National Unemployment Insurance Scheme (NUIS) to support the unemployed. The scheme was being designed to offer not only income support for the unemployed but also to provide opportunities for training, re-training, job search support, apprenticeship, and internship. The aim of the scheme was to help reduce the suffering of the unemployed, preserve their human capital and dignity and ensure social stability.

However, due to the budgetary constraints, the process of establishing the scheme has stalled. We need to work together to revive the process.

3.5 Labour Administration Institutions

Workers' rights have come under increasing assault by some employers. There is rampant abuse of workers' rights in all sectors of the economy, especially the right to join or form a union. Workers who opt to exercise their constitutional right to form or join unions are often threatened with dismissals. Employment agencies have turned themselves into employers instead of simply connecting workers and employers. A significant proportion of workers are

paid below the national minimum wage. Many employers refuse to register their employees with the social security scheme. And, many workers work under very poor health and safety conditions.

One of the reasons for this state of affairs in the labour market has to do with the non-enforcement of relevant laws due to the weak capacity of the state institutions responsible for labour administration. These institutions include Labour Department, National Labour Commission, Fair Wages and Salaries Commission, and Factories Inspectorate Department. They all suffer severe and chronic underfunding and lack of financial, material and human resources to perform their functions.

Some efforts are being made to revamp these institutions including the establishment of public employment centres in all regions across the country.

Government must prioritize investment in social dialogue by resourcing the labour administration institutions.

This is the only way to achieve industrial peace for national development.

3.6 Review of Labour Laws

TUC has called for the review of our labour laws to ensure adequate protection for workers' rights. TUC and other organizations have submitted proposals for the review. A technical committee has been constituted by the Ministry of Employment and Labour Relations comprising representatives from social partners and other stakeholders including the Attorney-General's Department.

Government must, therefore, demonstrate greater commitment towards the review of the labour law. It is generally agreed among stakeholders that the review must be accomplished before the end of 2024.

SECTION 4

ENERGY AND POWER POLICY

4.1 Electricity

A reliable and affordable electricity is critical for growth and development. In the last four decades Ghana has extended electricity to more than 90 percent of its population. However, this remarkable achievement has come at a very high cost to government in the form of payments to power producers and high tariffs to industry and household consumers.

A decade ago, the country faced severe electricity crisis. Severe shortage of generating capacity led to rationing of electricity (which became known as *dumsor*). The effect of *dumsor* on the economy, businesses and livelihoods was devastating. In response, government fast-tracked procurement of electricity from independent power producers (IPPs) at astronomical prices and on take-or-pay basis. This led to over-supply of electricity and Ghana has since been compelled to pay huge sums of money (usually Dollars) for electricity we have no use for. The financial burden of this contractual arrangement on government has been staggering. The annual bill for government has been in excess of US\$500 million for the unused excess power generation capacity. This has been at the heart of the energy sector challenges in the last decade or so.

In the last four years, electricity demand has grown and it is now almost at par with supply. Despite steady increases in electricity tariffs, inefficiencies in the utility sector persist. In some parts of the country, over 40 percent of all electricity supplied to customers is not paid for.

Our electricity sector remains in a very precarious situation. The high energy sector debts threaten the sustainability of the sector and overall fiscal stability of the country. Obviously, the sector must be reformed.

We recommend a stakeholder participation on the boards of all state-owned utility companies so that the companies can benefit from the insights and expertise and experience of trade unions, industry captains, think tanks and other social groups.

The take-or-pay contracts in the energy sector must be reviewed.

The sanctions regime under the PURC Act needs to be reviewed to make it possible for PURC to sanction individuals that hold key positions in the energy sector for dereliction of responsibility and/or abuse of authority.

4.2.1 Down-Stream and Upstream Energy and Power Sector

In 2015, government fully deregulated the down-stream petroleum sector. While subsidies were eliminated government took advantage of falling international crude oil prices to impose series of levies on petroleum products. By this, government denied Ghanaians the opportunity to benefit from the relatively low crude oil prices. Ghanaians are now paying high prices for fuel products.

In 2007, Ghana discovered oil in commercial quantities and started oil production in December, 2010. The expectation was that additional revenues from oil would enhance national development. Ghana was advised to work hard to avert the “resource curse” which has plagued some oil-producing countries in Africa.

Ghana’s oil export revenue averaged \$285.56 per annum from 2011 to 2023. In 2022 alone Ghana received **\$1.438 billion** from oil exports.

After 16 years of oil production, the verdict on the national performance in terms of managing revenues for national development has not been positive. Reports from the Public Interest and Accountability Committee (PIAC) do not inspire confidence either. While oil revenues are transparently reported, the PIAC has observed that government and its agencies often disregard the Petroleum Revenue Management Act (PRMA) in the disbursement of oil revenues. The Stability and Heritage Funds have been dissipated by governments over the years.

Challenges associated with the oil and gas industry require continuous and genuine stakeholder consultations and continuous monitoring of the physical, social, and environmental impact as well as the utilization of revenue flows from the sector.

The TUC is represented on PIAC because we see it as a duty to ensure sustainable management of Ghana's oil and gas revenue for the good of all the people of Ghana.

Apart from our concerns about accountability and transparency in the utilisation of revenue from oil and gas, we are also concerned about freedom of association and the right of workers in the sector to join or form trade unions, adherence to occupational health, safety, and environmental standards, regulation of the Oil and Gas Industry to ensure compliance of rules guiding their operations, local content, and sustainable management of oil and gas resources.

We do not think that a fully deregulated energy sector is necessary at this level of national development. For the majority of Ghanaians, incomes are too low to enable them pay fully for fuel or electricity.

Some level of social pricing is urgently needed to cushion Ghanaians against the effects of high and rising fuel and electricity prices.

We are aware of the plans by government to hand over Tema Oil Refinery (TOR) and Electricity Company of Ghana (ECG) to foreign commercial interests. This move, when allowed to go through, will deepen the woes of the ordinary Ghanaian. TOR and ECG are both strategic national assets and they must remain so.

We are fully aware of the challenges TOR and ECG are facing. But we also know that most of these challenges have been inflicted on the companies by various government policies.

The solution, therefore, does not lie in handing over the companies to foreign interests. Government should work with all stakeholders to fix the problems.

Privatisation of these state assets cannot be the best solution to the challenges facing these state-owned companies.

SECTION 5

GOVERNANCE

5.1 Participation in Decision-Making

Effective participation in decisions that affect one's life and the lives of one's family is an essential indicator of human development. This view is embodied in TUC's pledge which states among others, that we shall:

“Resolutely defend and uphold the democratic foundations on which the future of our Nation must be built and seek the fulfilment of our aspirations, hopes and the achievement of our objectives, through democratic processes and within the framework of constitutional government and concern for the welfare of the country”

In line with this pledge, we are committed to ensuring that our country is governed *democratically*. The democracy we envisage for the Ghanaian society, of which we are part, as individuals and as a group, should have the following features:

- The existence of and respect for the National constitution;
- Respect for Rule of Law and the Bill of Rights;
- Multi-party system of government devoid of antagonism among political parties and their members;
- Universal adult suffrage and the respect for the views of minorities;
- Respect for the views and the rights of women and men;
- Separation of powers (with special reference to independence of the judiciary and parliament);
- Freedom of the media;
- Free, fair and regular elections; and

- Freedom of expression.

Bearing in mind the above essential elements of democratic participation, we commit ourselves to and further pledge our support for the following principles that promote democratic participation at the national level, in the communities and the workplace.

- Independence of the Electoral Commission;
- Accountability and transparency in the management of public funds in particular and fair allocation of national resources in general;
- Respect for law and order
- Discipline;
- Compassion towards one another;
- Effective law enforcement agencies;
- Expeditious dispensation of justice;
- Tolerance of divergent views;
- Strong civil society groups that are capable of resisting or opposing policies that are inimical to the Ghanaian society

We will continue to speak out against policies and actions that militate against democratic participation in Ghana. In particular, we will resist the following:

- Violation of human rights;
- Media censorship;
- Interference in the judicial and parliamentary processes;
- Inappropriate economic policies (i.e., policies not determined through stakeholder and popular participation);
- Divisions and conflicts (tribalism, sectionalism and sexism);
- Active involvement of traditional rulers in political parties;
- Coup d'états and disrespect for constitutionalism; and
- Death penalty;

5.2 Constitutional Reforms

Ghana needs constitutional reforms. It is time to review or change the 1992 Constitution which was promulgated on 7th January, 1993.

We recall that the NDC government under the leadership of President Atta Mills set up an eight-member Constitution Review Commission in 2009, in accordance with Constitutional Instrument (C.I. 64), in an attempt to review the Constitution. In December, 2011, the Commission presented its report. In accordance with Article 280 (3) of the Constitution government issued a White Paper on the Committee's recommendations. In the White Paper, Government accepted most of the recommendations of the Commission and appointed a five-member Constitutional Review Implementation Committee. But surprisingly, the process ended there.

The constitution has now been implemented for over three decades. Some gaps have been identified and various groups, institutions and individuals are calling for a review of the 1992 Constitution.

The TUC supports all those who have been persistently calling for a review/change of the Constitution. We urge all organized labour groups and civil society organizations and think tanks to join us in the campaign towards a review of the 1992 Constitution.

We need a constitution that *truly gives power to the people* and guarantees democracy that assures the basic necessities of life. We need a constitution that *unites the people* of Ghana and creates a free and a just society; a constitution that *creates the necessary institutions* that can effectively secure our national borders, protect our sovereignty and territorial integrity while enhancing our relationship with friendly nations; a constitution that *creates the necessary conditions* for the development of every region and every district in Ghana and guarantees human rights, a healthy economy,

the right to decent employment, equal pay for work of equal value¹⁷, the right to good health care, and the right to education.

The following are the key questions that are guiding our campaign for constitutional reforms:

- How do we reduce the powers of the president and give power back to the good people of Ghana?
- How do we ensure true separation of powers among the executive, legislature, and judiciary?¹⁸
- Is partisan politics appropriate for Ghana?
- How can we ensure that the Electoral Commission plays its role fairly and objectively?
- How many constituencies and MPs do we need?
- How do we reduce the powers of the President?
- How many ministries and ministers do we need?
- How do we create *effective and development-oriented* town councils, district councils, regional councils, and a central government that can manage our resources for the benefit of all Ghanaians?

17 Article 24 (1) of the 1992 Constitution states that "Every worker has the right to work under satisfactory, safe and healthy conditions and shall receive equal pay for work of equal value without distinction of any kind". Article 71 of the Constitution discriminates between the political elite and other public office holders in terms of remuneration and therefore not consistent with Article 24. Article 191 (b) provides that "*A member of the Public Service shall not be dismissed or removed from office or reduced in rank or otherwise punished without cause.*" This provision rightly provides protection for public sector workers against abuses such as unwarranted terminations by the employer. It is fair that this protection be extended to private sector workers as well.

18 Article 78 of the Constitution requires that the majority of ministers of state be appointed from among members of parliament.

- Should we elect local government officials or we should allow the President to appoint District and Metropolitan Chief Executives as well as members of Commissions, Committees and Boards and CEOs of public corporations?¹⁹
- Is NDPC playing its intended role in our economic and social development as stipulated in Article 86 of the Constitution?
- Given the increase in life expectancy in Ghana, do we still want to keep retirement age in the public service at 60 years? (see Article 199 of the Constitution)
- Are the indemnity clauses in our constitution still relevant? (See Transitional provisions (34))
- How do we promote women’s participation in governance?
- How do we reduce unemployment, especially among young people?
- How do we stamp out corruption?
- How do we ensure efficient use of our mineral resources? (Should we allow foreign companies to dominate the natural resource sector?)
- How do we extend social protection/pension benefits to all Ghanaians including the aged, informal economy workers, persons with disability?
- Do we need to review the role of the Council of State?
- How do we deal with nepotism?
- How do we deal with the antagonistic partisan politics?

We must have the political will to shift from a “political constitution” to a “development-oriented constitution” that will unite the country, deepen democracy, guarantee security, and social and economic well-being of the good people of Ghana.

19 Article 243 of the Constitution allows the President to appoint DCEs and MCEs. Article 70 mandates the President to appoint CEOs of SOEs.

SECTION 6

CLIMATE CHANGE AND ENVIRONMENT POLICY

The climate is changing rapidly and the change has implications for the sustainability of life on earth. We are already experiencing the heat wave predicted by climate scientists. There is no doubt that human activities are contributing significantly to the climate catastrophe that confronts us. In particular, the kind of industrialisation the world has witnessed in the last 200 years with its dependence on fossil fuel, has been a very significant contributor to the global heating and its negative consequences on the environment and on life on earth.

The rising temperatures, the rising sea levels (which is threatening some coastal communities and Island nations), the irregular weather conditions (either high or low temperatures in certain parts of the world), and the changing rainfall patterns are signs of a climate catastrophe ahead of humanity, if nothing is done now to prevent it.

African countries may not be the big polluters but we are also playing a role in the destruction of the environment. In the last 30 years, Ghana's growth has been fuelled by the extraction of natural resources, including mining of both solid and liquid minerals. The intensification of surface mining activities, beginning in the 1990s, has led to destruction of large parcels of forest and farmlands. Many communities have suffered pollution of their water sources. In the last decade, the intensification of irregular mining, known in Ghana as *galamsay*, has led to a very significant damage to our environment. Large tracks of forest have been destroyed. Water bodies have been severely compromised. Farmlands, including large acreages of cocoa farms, have been turned into mining fields. The environmental damage of *galamsay* is incalculable.

Additionally, poor agronomic practices have led to mass deforestation and land degradation. Indiscriminate disposal of refuse, particularly industrial products such as electronics in our cities, is adding to the emission of greenhouse gasses and lowering air quality in Ghana.

Mass poverty is also contributing to the climate change phenomenon. Poor people tend to live off nature. They cut down forests and centuries old trees to plant maize and other crops that they need to survive. They feed on animals and, in the process, drive some animal species into extinction. That may seem legitimate but the negative effects of this way of living on the environment are seen in the alarming rate at which we are losing our forest cover and the erratic weather patterns we see today²⁰.

The livelihoods of millions of Ghanaians, especially those in agriculture, are at risk. The long-term socioeconomic development of the country is being compromised²¹.

The situation is compounded by Ghana's limited adaptive capacity, which exposes the majority of the population to the dire consequences of climate change.

20 In Ghana, we lose thousands of acres every year. That means we lose millions of acres of forests in a generation or two. And, as we reduce the forest cover and kill water bodies, we reduce the capacity of the earth to absorb greenhouse gasses emitted from the chimneys of the industrialized countries. The changing climate is, therefore, the results of two complementary phenomena: (1) industrialisation leading to greenhouse gases and (2) poor agricultural and other practices leading to the concentration of the greenhouse gases in the atmosphere.

21 The production of root and tuber crops is said to be significantly vulnerable to the effects of climate change. A good example is recent shortfalls in the supply of cassava. The unreliability of the Akosombo Hydroelectric Dam for energy generation in Ghana may be another example of how climate change is impacting the development of the country.

However, Ghana has shown some level of commitment to international efforts towards addressing the climate change crisis by signing major international conventions on the environment and climate change. Ghana has also developed a National Climate Change Adaptation Strategy (NCCAS) and a Nationally Appropriate Mitigation Actions (NAMAs). These notwithstanding, both legal and illegal mining continue to destroy our forest cover and water bodies. Our farming practices and housing arrangements continue to undermine our environment and ecosystem. The implementation of the NAMAs has been poor and uncoordinated.

We need to do a lot more to safeguard our environment.

We must ban mining in protected forest zones.

Alluvial gold mining in our water bodies or close to them must be banned.

Mining companies must be made to recover all degraded forest and farmlands, including the water bodies their activities have destroyed.

All lands must be protected from illegal or irregular galamsay mining activities.

We must ensure the proper management of all our natural resources.

We must intensify the re-forestation programme.

SECTION 7

CONCLUSION

In 2000, Ghana's economy was said to be at crossroads. That was the time our economy was facing some turbulence. The value of the Cedi was falling like stone from heaven. Inflation and cost of living were rising and Ghanaians were suffering. We understood that to mean that, where Ghana was at the time, any miscalculated move could send the country in the wrong direction. No wonder President John Kufour declared Ghana a Heavily Indebted Poor Country (HIPC) when he was elected the President of Ghana in 2001.

Today, Ghana is not at crossroads. Rather, the country is actually standing at the edge of a cliff. Therefore, any move in the wrong direction could send the country down the cliff and we may not survive the fall. Obviously, something went wrong in our economic management that is why we are where we are today. We have to change direction and move away from the cliff by any means possible.

We need the hands of every Ghanaian on deck to push Ghana away from the cliff. We have no choice. Every Ghanaian must get involved to save Ghana from economic collapse.

In this Workers' Manifesto, we have presented our views/positions and suggestions on some major policy areas including social policy, economic policy, labour market policy, energy policy and governance. The Manifesto is our tool for engaging political parties and the managers of the economy.

We trust that the issues presented in the Manifesto represent the views of all the working people of Ghana. And, as a saying goes, 'the voice of the people is the voice of God'. We expect politicians and those who are managing our resources to listen to the voice of the people.

Just as the TUC stood for Ghana in the struggle for political independence in the 1950s, today we are standing for Ghana in the struggle for economic independence. We believe that Ghana will move in the right direction and avoid going down the cliff. Together, we can build a Ghanaian society where every citizen can enjoy a decent and a fulfilling life and be proud of the country.

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