Rhetoric or Reality?  
The role of capacity development in poverty reduction in Ghana

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ABSTRACT

In recent years, the issue of poverty reduction in Ghana has become a central theme in major policy discourse. Despite the formulation and implementation of several policies to address poverty issues, poverty continues to persist and the living conditions of Ghanaians continue to deteriorate. Although capacity development is critical to poverty reduction, policy actors tend to overlook this important factor to address poverty in Ghana. Using a qualitative research approach, this study analysed the factors that militate against capacity development efforts towards poverty reduction, using Ghana as a case study. The article uses secondary data collected from government and conference reports, journal articles, newspapers, and books. The data was analysed using the content analysis method. It was found that poor leadership, lack of ownership of poverty reduction programmes, inadequate data, political corruption and inappropriate training militate against capacity development efforts. The study recommends pragmatic measures to address these capacity development weaknesses.

INTRODUCTION

The problem of reducing poverty has remained one of the pressing problems in contemporary development policy discourse. Perhaps the reason why poverty issues have become so critical in policy discourse stems from the fact that poverty has become pervasive in Ghana. This point has been emphasised by Domfeh and Bawole (2009) that “unless one pretends, poverty can be seen everywhere, although the form and nature of it vary from region to region and country to country.”

Several scholars have offered different definitions as to what constitutes poverty. Sachs (2005:20) suggests that, in defining poverty, “it is useful to distinguish between three degrees of poverty: extreme poverty, moderate poverty and relative poverty. Extreme poverty means
that households cannot meet basic needs for survival; moderate poverty refers to conditions of life in which basic needs are met, but just barely; relative poverty is generally construed as household income level below a given proportion of average national income.” Poverty is defined as a lack of material goods or services. People ‘need’ things such as food, clothing, fuel or shelter. George (1988) asserts that poverty consists of a core of basic necessities as well as a list of other necessities that change over time and place.

Townsend (1979:31) also defines poverty as “lack of resources required to participate in activities … and enjoyed the living standards that are customary in the societies to which they belong.” The World Bank (1990) sees poverty as the inability of people to attain a minimum standard of living. A critical look at these definitions reveals that poverty is related to the inability of people to meet their basic human needs. Most Ghanaians are incapable of providing for their basic needs which are pre-requisite for enjoying a decent standard of living. This provides ample justification to find a plausible developmental paradigm to remove the poor in Ghana from this economic quagmire.

Capacity development has been suggested as a pragmatic approach to address the problem of poverty in Ghana. The United Nations Development Programme (UNDP:2008) refers to capacity development as the process through which individuals, organisations and societies, obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time. The World Bank Institute (WBI 2012) also sees capacity development as “entailing the purposeful use of knowledge and information to achieve capacity outcomes.” These definitions emphasise the importance of capacity development as an instrument to reduce poverty. The assumption is that poverty can be reduced considerably when people with the requisite knowledge, skills and information diligently apply these resources to provide goods and services to meet their needs and that of society in general. Inadequate capacity such as the lack of start-up capital, low motivation and improper planning have been cited as major constraints to the successful implementation of the first generation of the Poverty Reduction Strategy Programmes (PRSPs), where African countries generally lack the requisite armory of human resources and institutions to undertake poverty analysis, design and implement anti-poverty programmes and to monitor results (Ilhide and Obadan 2011).

Despite the importance of capacity development efforts to poverty reduction, it appears that most critical ingredients of capacity development for poverty reduction have not been given the desired attention. The purpose of the article therefore is to assess the effectiveness of capacity development efforts with regard to poverty reduction in Ghana. The article seeks to answer two questions: what are the major obstacles to capacity development efforts in Ghana and what strategies can be adopted to remove these obstacles in order to reduce poverty.

The article adopted a qualitative approach to social research. According to Babbie, (2004:281) “qualitative research enables researchers to observe social life in its natural habitat: to go where the action is and watch.” Creswell (2009:5) also defines qualitative research as ‘a means for exploring and understanding the meaning individuals or groups ascribe to a social or human problem.’ The qualitative research approach was therefore suitable for this study as it sought to explain and understand the capacity development challenges inherent in poverty reduction approaches in Ghana. The study systematically reviewed the existing literature on capacity development and poverty reduction and secondary data was
comprehensively analysed to establish patterns for evaluation. The source of secondary data included journal articles, newspapers, books, government and conference reports and other relevant documents. The data was analysed using a content analysis method and the findings were discussed and presented using the narrative approach.

**BACKGROUND AND RATIONALE**

A glance at the relevant literature on poverty shows that there is no general consensus on the definition of poverty. Jensen (2009) has suggested that the word poverty is known to provoke strong emotions and engenders many questions. He defines poverty as a chronic and debilitating condition that results from multiple adverse synergistic factors and affects the mind, body and soul. Gradin and Canto (2012) further add that the literature on poverty has highlighted that poverty is a largely dynamic phenomenon. Other scholars also hold the view that defining poverty would depend, rather, on cumulative experience over time. *Voices of the Poor*, a series of studies for the World Bank, sees poverty in terms of the ‘web’ of deprivation (Narayan *et al.* 2000) – an expressive metaphor, which refers to a constellation of issues where people might suffer from shifting combinations of problems over time (Coffield and Sarsby 1980; Kolvin *et al.* 1990). Baratz and Grigsby refer to poverty as a severe lack of physical and mental well-being, closely associated with inadequate economic resources and consumption (Baratz and Grigsby 1971).

According to the European Commission (2004) people are said to be living in poverty if their income and resources are so inadequate as to preclude them from having a standard of living considered acceptable in the society in which they live. The World Bank (2000) cited in Sackey (2005) suggests that poverty is viewed as the result of exchanges among economic, political and social processes that lead in a disadvantaged way to produce deprivation and reductions in people’s standard of living. These definitions seem to encapsulate both the unidimensional and multidimensional approaches to defining poverty and leads Bellu and Liberati (2005) to the conclusion that any choice among the perspectives entails additional problems. Poverty is a complex phenomenon and does not mean the same thing to all people (Jensen 2009). Bellu and Liberati (2005) thus suggest that in conceptualising poverty it is important to look at it within a specific context, as there is not a general concept that we can safely assume to hold for all countries and in all situations.

The discussions of poverty reveal some trends worthy of notice. Poverty at any point in time can be linked to the inadequacy of resources, and such resources can be tangible or intangible. It is difficult to determine a single factor as the source of poverty. The World Development Report (2001) notes that poverty is a multi-faceted phenomenon which goes beyond the lack of access to basic income (World Bank 2000). The report further indicates that poverty transcends merely low income levels but has many phases which include lack of opportunity, low capabilities, security and empowerment issues. The apparent difficulty in attributing the causes of poverty to a single factor has implications for the policy design to poverty reduction. The reason is that poverty reduction policies must give attention to the multiple perspectives from which poverty is defined. Again, for poverty reduction policies to achieve their intended purposes, they must be consistent with what poverty means within the context for which the policy is designed.
The FAO (2008) argues that poverty is the principal cause of hunger and malnourishment; and conventional wisdom suggests that a hungry person is more likely to be an angry person and that if more people in society are hungry and angry; the world may become unsafe and insecure. This point was reiterated by Nicolas Sarkozy, former President of France in 2011 that ‘economies fare better when there are efficient social protection schemes, because they help improve worker productivity and promote balanced and sustainable growth’ (Daily Graphic 2013:13). Poverty reduction is a moral imperative which underpins the guiding principles governing the operations of the United Nations (UN 2010). Article 25 (1) of the UN Declaration of Human Rights provides that every individual has the right to a standard of living which entails health and acquisition of basic needs including food, housing, proper medical care, housing and shelter. The United Nations Declaration in 2000, commits states to reducing poverty through the Millennium Development Goals (MDGs) and this is an indication that poverty reduction is at the forefront of the world body.

An analysis of poverty typically differentiates between absolute and relative poverty (1990). Relative poverty exists when the subjects under consideration are “poor” in relation to “others”-who remain, of course, to be more closely specified. Absolute poverty, on the other hand, refers exclusively to the situation of particular individuals without any comparison being made between them and others. Absolute poverty is considered to exist when the lives of those concerned are impaired by physical or socio-cultural deficiencies (Schauble 1994; Hemmer/Kotter 1990). If physical human subsistence (expressed in terms of nutrition, clothing and housing) is not guaranteed, this is termed primary absolute poverty. Clearly, this way of classifying poverty is linked to the concept of basic needs. People whose minimum or basic material or non-material needs are not satisfied are regarded as poor.

Addressing the problem of poverty requires an eclectic approach which combines political, economic and social considerations. The process of poverty reduction requires focusing on contextual issues which take into consideration the target groups and their socio-cultural characteristics. Poverty reduction is also viewed as a participatory process. The overall governance structure of an economy has wider ramifications on the poverty levels of the citizenry; this implies that governments of poor countries need to adopt good governance practices which demand judicious use of state resources and investment in human development as well as creation of opportunities for the citizens. Such an approach will require the participation of all actors including government, civil society, opinion leaders and target groups. Besides, poverty reduction strategies require the provision of the necessary enabling environment to encourage individuals to realise their talents.

POVERTY IN GHANA

Ghana is a poor and predominantly agricultural country, but has made economic progress in recent years. It ranks 135th on the United Nations Development Human Development Index, with a Gross National Income (GNI) per capita of USD 520 and the proportion of Ghanaians described as poor in 2005/06 was 28.5%, compared to 39.5% in 1998/99 while those classified as extremely poor reduced from 26.8% to 18.2% over the same period. However, 20 years of structural reforms led to Ghana attaining the Highly Indebted Poor Countries (HIPC) status in 2004. The overall assessment is that economic progress is clearly
visible in the urbanised south and centre. However, development has been uneven, with particularly the rural northern districts lagging behind (UN Human Development Report 2007/2008).

The National Development Planning Commission (2008) suggests that Ghana is largely on track in achieving the MDG 1 of reducing by half the proportion of the population living in extreme poverty. However, trends in economic growth suggest a further decline in poverty between 2006 and 2008. Further although the 2008 Human Development Report (HDR) shows a decline in Ghana’s Human Development Index (HDI) rank and inequality remains high. Sowa (2002) adds that the decline is not evenly distributed geographically; the poverty reduction was concentrated around Accra and the forest (rural and urban) localities. The proportion of the poor in the savannah regions increased over the period; thus, poverty exists more in rural areas than in urban areas (Boateng, Ewusi, Kanbur and Mckay 1990, cited in Sowa 1992). Osei (2011) further adds that poverty in rural areas is twice that of the population living in rural areas was about 62%; the incident of poverty was about 39.5% compared to 10% for those living in the urban areas.

According to Sowa (2002:3), “data from various Living Standard Surveys, Demographic and Health Surveys, Core Welfare Indices Questionnaires (CWIQ) and other limited quantitative and qualitative surveys confirm the pervasiveness of poverty in Ghana.” In the view of Canagarajah and Portner (2003), even though some seven (7) regions in Ghana experienced a decrease in both poverty and extreme poverty according to two surveys: GLSS 3 and 4, poverty and extreme poverty in the Upper East, Northern and Central Regions increased. These regions are substantially poorer than the rest of Ghana. About 90% of the population in the Upper East Region is poor, in addition to 84% of the Upper West and 70% of the Northern Region, with the Central Region being the fourth poorest region.

CONCEPTUAL ANALYSIS OF CAPACITY DEVELOPMENT/BUILDING

Having discussed the concept of poverty, it is germane here to discuss capacity development. Debates surrounding capacity development are believed to have emerged in the 1980s, following the publication of the Berg Report (World Bank 1981), when it was used as an all-encompassing term to address the need for developing nations to take responsibility for their own advancement (Clark 2000). Capacity development can be discussed within the context of public policy. This is important because public policy provides the “framework of ideas and values within which decisions are taken and action, or inaction, is pursued by governments in relation to some issue or problem” (Brooks 1989:14). Public policies thus reflect values (Bowen and Zwi 2005; Riches 2002; Sanders, Labonte, Baum, and Chopra 2004) and indicate the relative value that organisations and governments place on the various aspects of economic and social development. It could be inferred that when governments consider capacity building as a value, it must be seriously considered in an attempt to bring about the needed socio-economic development.

The concept of capacity building is widely used in a variety of fields, but there is no consensus on its theoretical underpinnings or its application (Chaskin 2001; Chaskin,
Brown, Vankatesh, and Vidal 2001; Harrow 2001; Potter and Brough, 2004). The literature on capacity building is replete with specialised forms of capacity, as well as their causes and effects, such as local tax capacity (Hy et al. 1993; Wong 2004), financial management capacity (Gargan 1987), fiscal capacity (Tannenwald 1999), management capacity (Donahue, Selden, and Ingraham 2000); and the capacity to guide management of state funds (Hou, Moynihan, and Ingraham 2003). The United Nations Development Programme (UNDP 2008) reviews capacity development in terms of a process through which individuals, organisations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time. The UNDP prefers to use the term capacity development, which is more comprehensive, since this best reflects its approach. This approach is premised on the fact that there are some capacities that exist in every context and it uses the existing base of capacities as its starting point to support national developmental efforts. This process ensures transformation from the inside, based on nationally determined priorities, policies and desired results. It also encompasses areas where new capacities are introduced and hence, the building of new capacity is also supported.

Some scholars hold the view that the concept of capacity development has evolved from institution building to capacity building and then to capacity development (Hite and De Grauwe 2008) and thus “reflects a change process internal to organisations and people” (European Commission 2009:6). The OECD-DAC (2006:5) defines capacity development as the “process of strengthening the abilities or capacities of individuals, organisations and societies to make effective use of resources in order to achieve their own goals on a sustainable basis.” Implicitly, for a country to reduce poverty, it is expedient for that country to have the people with the capabilities, talents and skills, to organise and manage the affairs of the country.

Scholars are of the opinion that there are many challenges to the conceptualisation and measurement of capacity building (Bowen, Martin, Mancini, and Nelson 2000; Easterling, Gallager, Drisko and Johnson 1998; Labonte and Laverack 2001; Ritcher, Nathan, and Meahffey 2000), but it is still seen as having potential to contribute to thinking about, and acting on, the challenges of rural and community development (Bowen et al. 2000; Hartley 2005; Hawe 2000). Within the realm of contextual factors, governments and NGOs are to ensure tailor-made strategies by taking the peculiar circumstances of the people implementing the initiative as well as those affected by the poverty reduction intervention into account. It is quite common to observe governments and NGOs using blueprint programmes for many communities and people without taking the peculiar characteristics of the targeted group into consideration. Such a wholesale approach to poverty reduction is less likely to achieve its intended objectives. A successful capacity development effort entails an understanding of the cultural, social, political and economical contextual factors of the country under consideration. It is therefore imperative to critically analyse and identify the felt needs of the target communities in designing any strategy towards poverty reduction.

The Japan International Cooperation Agency (JICA 2008) for instance, found that country-led planning of capacity building is more effective than traditional approaches; yet, most capacity development programmes in developing countries do not often take the local context into consideration. Most countries appear to take a top-down assessment, design and implement models which in most cases are not tailor-made to the people or environment in question. Under such circumstances, resources are wasted and inappropriate
initiatives are embarked upon because complex contextual factors are not considered and thus negate the potential effectiveness of training and other learning-based interventions. The design of any intervention should be informed by in-depth understanding of the context and the identification of opportunities and constraints, and appropriately aligned to broader capacity development initiatives (Capacity Collective 2008; Berlin Statement 2008; Baser et al. 2008; Ramalingam et al. 2008).

Capacity development is much more than improving the abilities and skills of individuals (Hope 2008; OECD 2006). In most cases, it is simplistically regarded as just training, mentoring, or organisation restructuring (Hope 2006; Saldanha 2006). A critical analysis of the concept reveals three factors important to capacity development. First, capacity development is a process and not an event. Second, capacity development applies to humans as well as organisations. Third, capacity development is about how to manage scarce resources to satisfy societal needs. It therefore entails knowledge, skills, work processes, tools, systems, authority, patterns and management style (Hite and De Grauwe 2008:6). Loza identified some important areas of capacity building, namely; human resource development, research and advocacy, information access, use and dissemination of information, organisational development and financial sustainability. Farazmand (2004) points out that capacity building must aim at building and enhancing highly qualified, motivated and able individuals across all levels of society and organisations.

Some scholars also hold the view that capacity development entails the capacity to build the skills of government officials to address problems, evaluate policy alternatives and implement government programmes (Honadle 1981; Hall 2002). Many African governments have continued to embrace implementation of public sector reform programmes which demand increasing numbers of professional staff with new skills and approaches (Low et al. 2001; Mason, 2004) even though a lack of human resource capacity seems to be a persistent drawback of these initiatives in sub-Saharan African countries (Smoke 2003; Mason 2004). For example, it has been found that there is a lack of administrative capacity at the local levels, poor levels of coordination of different policy actors, irresponsible behaviour of public servants, and a general absence of accountability (Antwi et al. 2008). In their general summary of problems associated with decentralisation initiatives in the public sector, Khaleghian and Das Gupta (2007:1088) conclude that, in many countries: “... local officials have found themselves without the basic administrative capacity to take on their new roles, leading to failures in service delivery and the basic functions of government.”

The New Partnership for Africa’s Development (NEPAD 2009) provides a seven-point framework for capacity development which requires leadership transformation, citizen transformation, utilising African potentials, skills and resources for development, capacity of capacity builders, integrated approach and continuous improvement processes, knowledge-based and innovation-driven processes. This suggests that capacity development is an integrated process which requires a holistic approach involving commitment of political leadership, local factors of target groups, resources, and the ability to harmonise local resources to what is to be done.

Capacity development is a multi-faceted approach which requires teaching beneficiaries the necessary skills, knowledge, and aptitudes to undertake a particular venture. The concept is not only concerned with the provision and acquisition of knowledge, skills and abilities (KSAs) but also the provision of start-up resources and the environment necessary to put into
Effect what has been acquired. The Bill and Melinda Gates Foundation emphasised in 2008 that empowering the vulnerable needs to go in tandem with giving them the opportunity for marketing their produce and enhancing capacity of groups involved by diversifying the activities involved. Following the adoption of Millennium Development Goals (MDGs) in 2000, Ghana embarked on various programmes to localise the achievement of the MDGs. In 2003, the Government came up with the Ghana Poverty Reduction Strategy (GPRS I) which reflected a policy framework that was directed primarily towards the attainment of the anti-poverty objectives of the UN’s Millennium Development Goals (MDGs).

The Organisation for Economic Corporation and Development (OECD 2011) proposes a three-stage model to enhance the effectiveness of capacity development programmes. The model comprises a first stage referred to as assessment; a second phase called design and the last stage referred to as implementation. The extent to which these stages are carried out effectively would determine the success of the programme. The assessment process requires environmental scanning to get a picture of what capacity exists and what capacities need to be developed. The assessment phase is very critical because if the capacity constraint is not well-structured or diagnosed, it would lead to inappropriate designs and interventions. The assessment phase needs to involve all stakeholders and beneficiaries so that capacity building interventions would be relevant to the beneficiaries.

Though generally accepted as very critical to human and national development, capacity development efforts face several challenges in developing countries, such as inadequate technical skills, poor management, and corruption. A cursory observation of most capacity development programmes in developing countries reveals that capacity development programmes are bedevilled with a myriad of challenges, which ultimately affect the effectiveness and efficiency of these programmes.

CAPACITY DEVELOPMENT AND POVERTY REDUCTION: RHETORIC OR REALITY?

Even though, the respective governments of Ghana appear to commit themselves to capacity development with the aim to reducing poverty, their actions do not really demonstrate the expected commitment for such initiatives. Although some successes have been chalked, the general impression is that capacity development efforts have just been mere rhetoric and not reality.

The Fourth Republican Regime of Ghana has attempted to develop the capacity of poor people through the introduction of several pro-poor social intervention programmes. These capacity development programmes include the Ghana Poverty Reduction Strategy (GPRS I) 2002–2005; Growth and Poverty Reduction Strategy (GPRS II) 2006–2009; Livelihood Empowerment Against Poverty (LEAP) 2008; National Youth Employment Programme (NYEP) 2006; Ghana Youth Employment and Entrepreneurial Development Agency (GYEEDA) as well as the Savanna Accelerated Development Programme. Among other objectives, each programme was aimed at providing some level of empowerment, skill enhancement, and a source of living for the people.

While the Ghana Poverty Reduction Strategy (GPRS I) focused on poverty reduction programmes and projects, the emphasis of the Growth and Poverty Reduction Strategy
(GPRS II) was on the implementation of growth policies and programmes which have the potential to support wealth creation and sustainable poverty reduction. GPRS II was therefore anchored in pursuing the following priorities: human resource development; continued macroeconomic stability; accelerated private sector-led growth; good governance and civic responsibility. The GPRS II emphasised agriculture and it was to support vulnerable groups such as women and other less privileged to ‘enhance the productivity of small scale farmers by securing their access to extension, storage, price stability, credit, markets and land. Women small holder producers of food crops will be given needed impetus to improve their livelihood and assisted to benefit from the potential positive effects of linkages between agriculture, industry and exports… strengthen farmer-based organisations, with full participation of women farmers, to enhance access to credit and other services’ (GPRS II:25).

The Livelihood Empowerment Against Poverty (LEAP) identified the extreme poor, vulnerable and socially disadvantaged persons to be provided with stipends on a monthly basis. This direct provision of money was to enable these beneficiaries to support their basic needs. Some individuals who received these monthly stipends have been able to use the money to embark on some profit yielding ventures such as backyard farming including poultry keeping. Another capacity development programme has been the National Youth Employment Programme (NYEP). This programme had various modules targeted at youth training in various employable skills. Through the programme many pupil teachers whose living conditions were quite deplorable have now gone through some professional training to become trained teachers. Again, through the Community Nursing and Local Policing modules, most of the participants have become professional nurses and police officers respectively. The NYEP has now metamorphosed into the Ghana Youth Employment and Entrepreneurial Development Agency (GYEEEDA), and now Youth Enterprise Agency (YEA) which trains the youth, especially the less privileged into various trades and vocations. The programme teaches skills to participants and further provides them with start-up resources to start their own business enterprises. The GYEEEDA programme has some modules and beneficiaries have obtained skills in mobile phone repairs, fashion designing and tailoring, and driving. Through GYEEEDA, the government of Ghana launched the Youth-in-ICT Module to train a total of 30 000 youth across the country.

Despite numerous capacity interventions, a clear analysis reveals that Ghana has not been doing well in poverty reduction in terms of administrative regions. The picture seems appealing when one looks at Ghana’s performance in absolute terms as it gives an impressive picture. Table 1 shows the poverty trends of the country since 1991/1992.

Table 1: National Poverty Incidence since 1991/1992

<table>
<thead>
<tr>
<th>Year</th>
<th>Poverty line = 3 708 900 cedis</th>
<th>Poverty line = 2 884 700 cedis</th>
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<tr>
<td></td>
<td>Poverty Incidence (%)</td>
<td>Poverty Incidence (%)</td>
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<tr>
<td>1991/92</td>
<td>51.7</td>
<td>36.5</td>
</tr>
<tr>
<td>1998/99</td>
<td>39.5</td>
<td>26.8</td>
</tr>
<tr>
<td>2005/06</td>
<td>28.5</td>
<td>18.2</td>
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</table>

Source: (GS 2007)
The poverty lines (3,708,900 cedis and 2,884,700 cedis) were estimated using the cost of basic needs method in order to pay for a food basket providing 2900 kilocalories per adult equivalent, while also covering the cost of basic non-foods needs (GSS 2007). Specifically, the lower poverty line of 2,884,700 cedis represents the minimum amount of money needed to pay for only food needs whilst the upper poverty line of 3,708,900 cedis caters for both food and non-food needs (see Table 1). From Table 1, it can be seen that the poverty rate of the country has reduced drastically albeit high. It reduced from a rate of 51.7% in 1991/92 to 39.5% in 1998/99 and further to 28.5% in 2005/06. Similarly, extreme poverty rate measured by the lower poverty line also reduced significantly from 36.5% in 1991/2 to 26.8% in 1998/9 and further to 18.2% in 2005/06.

In terms of regional variation in poverty rates, over the years, the trend of poverty in the administrative regions has been diverse. Nonetheless, like the national poverty rate, all the administrative regions in 2005/06 experienced a significant reduction in poverty rates except Greater Accra and the Upper West regions (see Figure 1). The Greater Accra region in 2005/06 experienced an increase in poverty with the incidence rising from 5% to 12% whereas that of the Upper West region rose from 84% to 88%. Moreover, Figure 1 shows that the poorest regions in the country are the three Northern regions namely; the Northern, Upper West and Upper East regions whilst the Greater Accra region is the richest region. However, the Ashanti, Western, Central and Eastern regions are not performing badly in terms of maintaining a decent poverty record.

The measure of the degree of inequality in the distribution of family income or consumption in a given country is the Gini index. The index usually ranges between 0 and 1, with 0 corresponding with perfect equality. To explain differently, where a country’s income is close to 0, it means income in such a country is relatively more equally distributed and when it is close to 1, it means there is high degree of inequality. For instance, the national

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**Figure 1: Poverty Incidence by Administrative Region, 1991–2006.**

Source: (GSS 2007)
inequality index (Gini index) rose from 0.353 in 1991/92 to 0.378 in 1998/99 and further to 0.394 in 2005/06 (see Table 2).

In terms of administrative region, the Volta region has the highest level of inequality with a Gini index of 0.557 whilst the Eastern region has the lowest with a Gini index of 0.319. However, inequality in the three Northern regions (i.e. the Northern region, Upper West region and the Upper East region) and the Greater Accra region remained high in 2005/06 with an average Gini index of not less than 0.4065. Moreover, from Table 2, it can be seen that in 2005/06 the level of inequality rose in all the administrative regions with the exception of the Ashanti region whose Gini index fell from 0.380 to 0.377.

Table 2: Gini Index of Inequality by Administrative Regions, 1991–2006.

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<tbody>
<tr>
<td>Western Region</td>
<td>0.326</td>
<td>0.324</td>
<td>0.355</td>
</tr>
<tr>
<td>Central Region</td>
<td>0.338</td>
<td>0.331</td>
<td>0.392</td>
</tr>
<tr>
<td>Greater-Accra Region</td>
<td>0.353</td>
<td>0.300</td>
<td>0.409</td>
</tr>
<tr>
<td>Volta Region</td>
<td>0.327</td>
<td>0.346</td>
<td>0.557</td>
</tr>
<tr>
<td>Eastern Region</td>
<td>0.338</td>
<td>0.304</td>
<td>0.319</td>
</tr>
<tr>
<td>Ashanti Region</td>
<td>0.376</td>
<td>0.380</td>
<td>0.377</td>
</tr>
<tr>
<td>Brong Ahafo Region</td>
<td>0.349</td>
<td>0.332</td>
<td>0.361</td>
</tr>
<tr>
<td>Northern Region</td>
<td>0.399</td>
<td>0.388</td>
<td>0.402</td>
</tr>
<tr>
<td>Upper East Region</td>
<td>0.325</td>
<td>0.315</td>
<td>0.402</td>
</tr>
<tr>
<td>Upper West Region</td>
<td>0.346</td>
<td>0.315</td>
<td>0.413</td>
</tr>
<tr>
<td>National</td>
<td>0.353</td>
<td>0.378</td>
<td>0.394</td>
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Source: (Coulombe and Wodon 2007)

The above analysis has revealed that although several capacity interventions have been embarked on, inequalities exist in the various regions that call for a more vigorous approach to capacity initiatives. The Savanna Accelerated Development Authority (SADA) initiative, for example, was an intervention aimed at collaborating with the civil society organisations to reduce poverty in the northern regions, increase income levels, improve human capital and address desertification in some 62 districts of the Savannah Ecological Zone of Ghana. Unfortunately this initiative has been saddled with corruption amongst those with the responsibility to ensure its successful implementation. These interventions have their challenges which have to be looked into in the light of capacity development.

One major weakness in the capacity development efforts to reduce poverty is lack of commitment on the part of political leadership. Most often the urgent need to provide the required leadership is unavailable. Many political leaders are unwilling to properly and efficiently supervise work, probably for personal gains to be derived for poor supervision. This is consistent with the rational model, which states that policy makers aim at maximising their economic benefits and personal preferences. Some scholars have depicted presidents as institutionally rational actors seeking to develop policy proposals that satisfy their personal
preferences by using the “responsive competence” of their loyal inner circle of advisers rather than seeking the advice of agency actors (Moe 1985, 1989; Moe and Wilson 1994; Nathan 1983). Moe (1989) posits that agency bureaucrats have their own personal preferences tied to the mission of the agencies they serve and thus lack incentives to be adequately responsive to the president’s policy preferences. Poor supervision in the civil service as a problem to capacity development has been clearly explained by Quartey (2007) as: “one of the weakest chains in the management of the Ghanaian civil service is the lack of effective supervision. Many managers and supervisors are unable or unwilling to properly and efficiently distribute work, and to subsequently supervise efficiently and effectively. It is common knowledge that in most of the civil services, officers generally report for work two-three hours late and also leave office some hours early. Some even absent themselves from work for days, sometimes without anyone noticing their absence” (Quartey 2007:25).

It has been observed that much of Africa’s inability to implement anti-poverty programmes successfully stems from systemic weaknesses at the levels of the state, the region, and the continent, as well as the institutional and individual level. The inter-relationship amongst these levels of governance has created vicious cycles in which poverty, limited capacity, and bad governance are mutually supportive (NEPAD 2009). The resultant effect of this has been the further marginalisation of the continent. There is also a realisation that previous efforts and approaches to capacity building have not delivered the desired results and that capacity constraints still remain one of the major obstacles to development and specifically to the achievement of African Union Vision and NEPAD priorities. Overall, implementing capacities still remain a challenge. Several states including Ghana have committed to poverty reduction on paper and have approached the phenomenon from several perspectives. However, the various approaches have been bedevilled with serious challenges which tend to hinder the objectives of most of these programmes.

Insufficient economic development capacity is most prevalent in rural and small communities. Brown (1980) notes that rural areas are worse off than urban ones, and the more rural the area, the wider the capacity gap in terms of financial resources, expertise, and professionalism. Small to medium-sized cities often lack a critical mass of resources to allocate to sophisticated problem analysis or strategic planning activities (Gargan 1981). Leatherman and Deller (2001) add that even rural communities of size and substance struggle to meet local needs with limited human and financial resources. Small governments, especially those in rural areas lack the latent resources to effectively pursue economic development within their jurisdictions. Rural governments may lack the technical competence that is typical of more developed countries thus affecting their ability to implement capacity development programmes.

The problem of capacity development efforts in Ghana can be explained in terms of dependency theory. An economy is dependent to the extent that its position and relations to other economies in the international system and the articulation of its internal structure make it incapable of autarcentric development. In the early days of Africa’s colonisation, there was little indigenous capital to mobilise for investment and development. This made it difficult for the Africans to accumulate much wealth. This situation led to dependence on foreign capital (Ake 1981). The dependence on foreign capital has not changed rather it has taken an alarming turn. An erudite Ghanaian scholar, Asante (2014) succinctly describes this dependency mentality in these words: “…Ghanaians have developed a dependency
mentality. They have come to believe that only non-Ghanaians can manage and solve their problems. Proud Ghanaians will dismiss this assertion. But actions expose beliefs. What do we do when we encounter a problem? We seek and request outside assistance. Even when we analyse the problem and design a solution, we look for outside resources for implementation. Our leaders in various fields and institutions feel satisfied when they announce that they have formulated a project and are looking for funds to implement it. Often they do not seek resources from the national budget. It appears that we do not really believe in planning, and even our national budget is not primarily designed to support projects to promote growth and well-being but to satisfy the beggar mentality of seeking donor budgetary support” (*Daily Graphic*, August 4 2014:7).

The challenges which affect capacity development and poverty reduction in Ghana generally stem from financial constraints, dishonest politicians, uncommitted bureaucrats who work in the bureaucracy for their parochial interest, bad governance, poor targeting, top-down approach, piecemeal approach and poor feedback. The weak capacity to implement public policies is aptly described by Ayee (2000) in these terms: “successful public policies and programmes are rare because it is unusual to have progressive and committed politicians and bureaucrats (saints) supported by appropriate policy analysts with available and reliable information (wizards), that manage hostile and apathetic groups (demons) and consequently insulate the policy environment from the vagaries of implementation (systems)” (Ayee 2000:14).

Another major challenge militating against capacity development efforts is late release of funds for such initiatives. In most cases, the release comes so late that it becomes difficult to implement the initiative to the letter. A report on Ghana *GhanaWeb* (July 25 2013) suggests that the Livelihood Empowerment Against Poverty has been in arrears for the past months and caused quite challenging moments for beneficiaries. The Annual Performance Report of the Civil Service (2011) states that: “A key challenge confronting all MDAs is the inadequate financial resources from national budget which is always translated in the form of late release or suspension of approved budgets by the Ministry of Finance and Economic Planning. This in many instances, affected and continues to affect the effective implementation of programmed activities of the MDAs” (Annual Performance Report of the Civil Service 2011:26).

It is reported that there are financial challenges affecting capacity development programmes; for instance, the Livelihood Empowerment Against Poverty (LEAP) faces a serious challenge as a result of a delay in release of funds by the government which affects transfer of funds (*Daily Graphic*, 9th September 2013:130). An effective poverty reduction strategy requires a collaborative effort of governments, both central and local governments; Non-Governmental Organisations (NGOs) and Civil Society Organisations (CSOs); local or contextual factors (local economic development approach) as well as the people or groups who will be affected by the poverty reduction intervention. Central government is involved in broad policy direction and the appropriation of resources for major poverty reduction programmes and therefore constitutes a key player in the poverty reduction process. Local governments are responsible for the social, political and economic administration of respective geographical jurisdictions and in most cases carry out and manage poverty reduction programmes on behalf of central government in their respective local government units.

Corruption has been seen as a serious impediment to capacity development efforts. The resources that are wasted as a result of administrative and management malpractices appear
to take more than half of the resources needed for the actual target groups. Corruption and poor management practices do not promote poverty reduction. Grindle (2002) has argued that tackling poverty requires the good governance approach which touches virtually all aspects of the public sector—from institutions that set the rules of the game for economic and political interaction, to organisations that manage administrative systems and deliver goods and services to citizens, to human resources that staff government bureaucracies, to the interface of officials and citizens in political and bureaucratic arenas. Todaro and Smith (2009) argue about the debilitating nature of corruption that: “The elimination of corruption is important for development for several reasons. First of all, honest government may promote growth and sustainably high incomes. In addition, the association of eliminating corruption with public empowerment suggests that it is a direct objective of development… The effects of corruption fall disproportionately on the poor and are a major restraint on their ability to escape from poverty. This is perhaps the most compelling reason for emphasising the elimination of corruption and improvement of governance in general as part of an antipoverty strategy from the earliest stages of development” (Todaro and Smith 2009:566).

Additionally, there have been several cases where capacity development programmes have been engulfed in financial malpractices and misappropriation of funds meant for the poor and vulnerable in society. For instance, following a report of alleged corruption by its officials, participants of the Ghana Youth Employment and Entrepreneurial Development Agency (GYEEDA) threatened to embark on a nationwide demonstration against their corrupt officials. A former Executive Director of the GYEEDA, Mr. Abuga Pele, in an interview on an Accra based radio station, Joy FM, said he had earlier called the attention of a former Minister of Youth and Sports, Mr Clement Kofi Humado, to suspected acts of corruption by some management personnel hoping that there would be some investigations but nothing had happened. A former Deputy National Coordinator of the programme, Alhaji Tapsoba, was last year (2012) asked to step aside following his alleged involvement in some corrupt deals. Workers and participants of the programme have a feeling that they had been taken for granted for far too long and would no longer tolerate any further delay in the release of their allowances because it was now clear to them that the reasons given for the delay were false (Daily Graphic 2013). Again, there have been reports of an alleged misapplication of some 15 million Ghana cedis for the Guinea Fowl Project under the SADA project.

Good quality data engenders numerous benefits, especially in helping to inform good policy decisions and in evaluating their impact. For example, a more accurate assessment of output and its components can improve the calculation of various tax ratios and propel countries to take a closer look at tax burdens and tax policy. This has stimulated increased demand for sub-Saharan African statistics from many sources. Unfortunately, the availability and quality of economic data in sub-Saharan Africa often does not measure up, as some commentators have recently emphasised (Devarajan et al. 2013; Devarajan 2012, Jerven 2013). Indeed, in terms of quality, the World Bank’s Statistical Capacity Indicator puts sub-Saharan Africa below the average for developing countries. African data exhibits deficiencies in accuracy, periodicity, and timeliness.

Training has often been both inappropriately used and poorly implemented as the response to capacity development needs. Taking a result- orientation can help to ensure that proposed training activities will meet identified needs, and that progress and the contribution to overall capacity development can be monitored and evaluated (UNDP 2006; DFID 2006;
Berlin Statement 2008). The Annual Performance Report of the Civil Service (2011) points out that lack of appropriate training has been one of the key problems in capacity development in the civil service of Ghana. “Decentralization of training to the MDAs has led to a situation where many civil servants have had no training in most of the critical courses, such as the Certificates in Public Administration and Diploma in Public Administration. This has affected the performance of the staff” (Annual Performance Report of the Civil Service 2011:27).

It is clear that effective monitoring and evaluation of capacity development initiatives is very critical to the overall success of such initiatives. Poor monitoring, evaluation and feedback mechanisms have been a major setback. The ineffective monitoring and evaluation is due to inadequate training of staff, poor motivation and lack of logistics. Interestingly if the capacity development initiative is donor–funded, monitoring and evaluation tends to be effective. This is because the donors are able to provide the needed supervision coupled with availability of well-motivated staff for evaluation, and availability of resources to facilitate efficient and effective monitoring and evaluation. It is prudent for the State and other institutions to be involved in monitoring capacity development programmes to ensure that implementers do what is required of them. For this reason, there must be no room for misappropriation of resources meant for capacity development. There is the need for proper targeting, beneficiaries must be given the required training and resources. Monitoring and evaluation also require the capacity of the process to occasionally monitor the progress and activities of participants or beneficiaries who have ever taken part in capacity development programmes.

Again, poor targeting tends to affect capacity building programmes. In this instance, capacity building programmes meant to enhance the livelihood of the poor and empower them are tailored to meet the needs of the poor. In Ghana, there have been reported cases where people who are not poor have found their names on the payroll to receive LEAP moneys. Greed and other misplaced priorities tend to perpetuate the disparity between the rich and poor in Ghana.

Moreover, most capacity development programmes for the poor take the top-down approach which often does not take inputs from the very poor whose poverty level is to be reduced. The policy formulation stage is an important phase which determines whether the implementation phase will be successful or otherwise. It is therefore essential to engage the target groups or beneficiaries in the formulation stage. In most cases, the policies do not tackle the very cause of the poverty and tends to be superficial. There might be some communities who may do well in farming but perhaps their main challenge may be marketing and storage. In this case, the best capacity development programme would be to facilitate a ready market for their farm products rather than giving them monthly stipends or other training. There have been other instances where under a module, people would be selected wholesale from several communities to be trained in bread-making without recognising the unique needs and marketing opportunities of each district. In some communities, people do not use bread so if participants in such communities are trained in bread-making, such capacity development is a waste of state resources and participants’ time.

Finally, a major challenge affecting capacity building and poverty reduction is the piecemeal approach that most of the programmes take. In some cases, people are given training on a particular activity or vocation but these people would not get the required resources for them to start their own businesses. For instance, some participants trained
and supported to go into agriculture without any support regarding how their produce would be marketed to sustain the particular intervention must be avoided. Many farmers who went into the cultivation of cassava under the Presidential Special Initiative (PSI) on cassava have been struggling to get a good price and ready markets for their products and the political leadership has failed to come to their aid. The argument being made here is that capacity development programmes should be seen as a process or continuum comprising different phases; it is never complete unless implementers are sure beneficiaries will have a sustainable level of living. It appears the actors of these programmes are only interested in committing financial resources to programmes but not in the outcomes of the programmes. Unfortunately, governments commit financial resources to build the capacity or equip people to undertake certain ventures without doing a follow-up on them to see how such ventures are being sustained.

CONCLUSION AND RECOMMENDATIONS

In conclusion, the analysis and discussions of the findings reveal that most poverty reduction programmes in Ghana fail due to weak capacity building. Some of the factors that militate against capacity building include: corruption, poor targeting of beneficiaries, top-down mentality towards formulation and implementation of poverty reduction programmes and the piecemeal approach towards poverty reduction. In most cases, these problems that hinder the success of poverty reduction are integrated. Therefore, these problems must be tackled holistically. Efforts to support accountability systems within and across institutions are cardinal to capacity development. It is important to strengthen monitoring and evaluation systems such as public oversight and arbitration bodies and develop accountability mechanisms so as to promote stakeholders’ feedback and enforcement mechanisms, strengthening of regulatory and oversight capacity of public institutions.

In order to increase the success of capacity building programmes towards poverty reduction, the following recommendations are made. Political leadership must enhance institutional capacity to detect, prevent and punish corrupt officials. Capacity development efforts can only be successful if they are backed by the needed political will by the political elite. The process of formulation and implementation of poverty reduction must be interactive in nature so as to capture the actual needs of the people and for the people to own the programme. The needed funds for capacity development efforts must be released on time to ensure the successful implementation of such efforts. The situation whereby funds are released so late to support capacity development efforts lends credence to the notion that capacity development efforts are mere rhetoric. Again, there is the need for government to integrate programmes so that the chances of attaining the full outcomes of poverty reduction programmes can be achieved. Additionally, there is the need to appropriately monitor and evaluate capacity building programmes through the provision of requisite resources to facilitate effective monitoring and evaluation. Resourcing the Ghana Statistical Service is important here so as to be able to come up with reliable and credible data. Supervision must be seen at all levels as fundamental to success in capacity development efforts and policy implementers must devote time and other resources to ensure effective supervision. There is also the need to sensitise Ghanaians through the National Commission on Civic Education.
that the Ghanaian is capable of handling his own affairs with the view to minimising the dependency syndrome which has now become a cancer in Ghanaian body politic.

NOTE

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