

**SPEECH BY H.E. MR. KWABENA BAAH-DUODU, AMBASSADOR  
OF THE REPUBLIC OF GHANA, ON "GHANA - THE JOURNEY SO  
FAR" AT THE DEPARTMENT OF AFRICAN STUDIES, UNIVERSITY  
OF VIENNA, ON 'GHANA DAY' AT SPITALGASSE 2, VIENNA,  
AUSTRIA ON 5<sup>TH</sup> OCTOBER, 2007**

Mr. Chairman,

Prof. Dr. Walter Schicho,  
Head of Department of African Studies,

Honorary Consul,

Faculty Members,

Students,

Distinguished Ladies and Gentlemen,

It is indeed, a great honour and pleasure for me to be part of this admirable series of workshops, which have been instituted by the Department of African Studies of this famous University to contribute to the spread of knowledge about Africa. I must express my sincere appreciation to the organizers of this workshop, especially to Professor Walter Schicho and his collaborators, including Dr. Anna Gottschligg-Ogidan for their kind invitation and warm welcome.

Mr. Chairman,

The selection of Ghana as a country of focus for this academic year could not have been more appropriate, as it comes at a time when we are commemorating the 50<sup>th</sup> anniversary of our independence - a year when Ghana holds the Chairmanship of our continental body, the African Union,

and a year when we had the unique opportunity to host the Ninth Ordinary Session of the Assembly of Heads of State and Government of the African Union in Accra, Ghana and thereby rededicating ourselves to the principles and ideals of the continental body, as well as demonstrate our determination to be fully associated with the efforts to find solutions to the challenges facing Africa.

## **HISTORICAL BACKGROUND**

Present day Ghana, with its current borders has only existed for approximately 104 years. Earlier on, several kingdoms inhabited the area, each with its own history. The region shares its history with all of West Africa. According to the Greek historian, Herodotus, the Egyptian Pharaoh sent out sailors along the African coastlines about 600 BC. These Phoenician sailors probably also landed on the Guinea coast.

The ancient Ghana (sometimes known as “Ghanata” or “Wagadugu”) was one of the most powerful African empires for several hundred years. The Ghana Empire was in the Sahel; it included most of present-day Senegal and some regions of Mali and Mauritania, but did not reach as far south as what we know as Ghana today. Use of metals was known and the Empire was well organised with laws and a strong economy. Those of you who might have come across the works of the famous ancient Arab traveler and scholar, Ibn Batutta, would have read about the famous university in Timbuktu.

The Ghana Empire was succeeded by the Mali Empire, which was in turn conquered by the Soudan Empire. While small and big kingdoms were dissolved or succeeded by new ones, the populations slowly migrated

towards the south. Tribes and clans were mixed during the passing of centuries.

The Gold Coast was renamed Ghana upon independence in 1957 because of indications that present-day inhabitants descended from migrants who moved south from the ancient Ghana Empire.

The first contact between Europe and the Gold Coast dates from 1470, when a party of Portuguese navigators landed on our shores. In 1482, the Portuguese built their first fortress. They named it Elmina (the mine) and it became their permanent trading base. Others followed fast, all attracted initially by gold, ivory and timber. As early as 1492, a French buccaneer, marauding off the coast, was reported to have deprived a Portuguese ship of its precious cargo. That was gold, the commodity which made the Portuguese name the area Elmina.

The trade in gold with the Europeans made it possible for the development in the 17<sup>th</sup> Century of the Akwamu State. The first recorded English trading voyage to the Gold Coast was made by Thomas Windham in 1553. During the next three centuries, the English, Danes, Dutch, and Germans also joined the bandwagon and the most valuable commodity for export changed from gold to slaves. England, the Netherlands, Portugal, Germany, France, Sweden, Denmark all competed for the trade, which became highly organised. This sad part of our encounter lasted 350 years. With its accessible coastline, our coast became the centre of all European activity in West Africa.

During the 18<sup>th</sup> Century, the dominance of Akwamu was replaced by that of a much more powerful Kingdom, the Ashanti, with their capital

inland in Kumasi. In 1800, Osei Bonsu ascended the Ashanti throne. He sought to expand his kingdom further. His kingdom then reached beyond the borders of present day Ghana. In their attempt to gain access to the sea and thereby eliminate the middlemen whom they thought were cheating them, the Ashanti Kingdom invaded Kingdoms to the south and war broke out with the Fante Confederation, which was supported by Britain.

In 1821, the British Government took control of the British trading forts on the Gold Coast. In 1844, fearing annexation by the ever-expanding Ashantis, many Fanti chiefs in the area signed an agreement with the British which made them a British Protectorate. That became the legal stepping stone to colonial status for the coastal area.

Originally, the colony was only a 100 kilometer-wide strip along the coast, but the British still sought control of the Ashanti Kingdom and their wealth of gold.

From 1826 to 1900, the British fought a series of campaigns against the Ashantis. The British forces were defeated by the Ashantis in 1824 and again in 1870. But in 1874, a British force briefly occupied Kumasi, which was burnt down. The king's palace was found empty but the British stole all the valuables from the palace.

Meanwhile, in the coastal regions, the British had gradually emerged as the main European power. The Danish fortresses, including the impressive Christiansborg Castle in Accra, were purchased by the British government in 1850. The last Dutch Merchants abandoned the coast in 1870. In 1874, the southern regions were formally proclaimed a British

colony, under the name, Gold Coast. But it took another three decades before the Ashanti Kingdom, and its dependencies in the north were finally brought under British control.

On the initiative of King Leopold I of Belgium, the European countries held the Berlin Conference from 1884-85. Thousands of Kingdoms all over Africa were suddenly squeezed into approximately 50 European colonies. No consideration at all was given to the people, cultures and languages. Present day Ghana, with the exception of the Volta region, then came under Britain.

In 1901, the British succeeded in establishing firm control over the Ashanti Region and making the Northern Territories a Protectorate. The Ashanti King, Nana Osei Agyemang Prempeh I, was sent to exile in the Seychelles in 1896. In 1900, the British sought to humiliate the Ashantis further by demanding the golden stool, which is the ultimate religious and national symbol of the Ashantis. But the Ashantis had foreseen this and created a fake one which was given to the then British Colonial Governor, Frederick Hodgson. But this sacrilegious act of the British provoked an attack on the British fort in Kumasi, led by the legendary Queen Mother of Edweso, Yaa Asantewaa. The Ashantis were defeated and in 1902 what was left of the Ashanti Kingdom was annexed to the British colony. British Togoland, the fourth territorial element eventually to be added to the nation, was part of a former German colony, administered by the United Kingdom from Accra as a League of Nations mandate after 1922.

In 1924 the Asantehene was permitted to return to the Gold Coast from exile, but he was left with no political power. In 1935 the Ashantis were allowed restricted "autonomy" through the Ashanti Confederacy

Council. In 1946, British Togoland became a UN Trust Territory, and in 1957, following a 1956 plebiscite, the United Nations agreed that the territory would become part of Ghana when the Gold Coast achieved independence.

Little was done to involve the African educated elite in the political governance of the country during the colonial years. But in the years immediately after World War II, events moved so fast. In 1946 the colonial powers had been weakened after World War II. In 1947, the United Gold Coast Convention (UGCC) was formed to seek independence within the shortest possible time. The leaders of this party were Paa Grant (the financier), Dr. J. B. Danquah (the doyen of Ghana politics), Mr. Justice Edward Akuffo-Addo, Mr. Obetsebi-Lampitey, Ako-Adjei and William Ofori-Atta.

The turning point came in 1947, when Kwame Nkrumah, who was born in 1909, and had studied at Achimota College, USA and Britain and had actively participated in Pan Africanist politics, returned home. He was invited back to the Gold Coast to become General Secretary of the United Gold Coast Convention, a nationalist movement campaigning for self-government. The rest of the story will be told by another speaker today.

Mr. Chairman,

As you are already aware, Ghana's modern history, as its ancient history, is inextricably linked to the history of the African continent. Fifty years ago, she became the first sub-Saharan African country to gain its independence. And this singular event changed the outlook of our continent and its status in the world forever. As has been pointed out by

President John Agyekum Kufuor, “the African on the continent, who for centuries had been violated and subjugated through the slave trade and colonialism, on that fateful day, succeeded in breaking asunder the chains of bondage.”

Mr. Chairman,

As you are already aware, this year also marks the two hundredth anniversary of the abolition of the slave trade. Many castles/Forts can be found on the shores of Ghana. As Kofi Annan has observed;

*“The view from their upper levels is as picturesque as their history is dark. One of them, Christiansborg Castle in Accra, was finished in 1661 by the Danes, close to the time the first Asante King, Osei Tutu, rose to power. It is still viewed as the symbol of an era in our history that we need to understand better.”*

From Africa, we lost the productive youth for three centuries. But no sooner after the declaration of emancipation two hundred years ago, was the Berlin conference convened in 1844 to partition and subjugate into colonialism the entire homeland of Black Africa. This was yet another form of denial of citizenship and abuse of human rights which lasted for more than a century.

This domination continued after the second world war, when a certain strong moral force begun to blow across the world compelling nations, power blocks and even religions to begin to recognize the centrality of common humanity in all relationships. It was on the back of this force, that the struggle for liberation and independence in the various

parts of the world generally and in Africa in particular was launched. In Africa, Ghana was the first country south of the Sahara to gain her independence in 1957.

Fifty years ago, at independence Ghana had a population of 5 million, it had enough in foreign reserves to commence national development; it also had international goodwill in abundance. Our founding fathers envisaged for the newly independent Ghana, a pioneering role in the emancipation of the rest of the African continent from colonial domination. Osagyefo Dr. Kwame Nkrumah, our first President articulated this passion in these immortal words, which I quote:

*“the independence of Ghana is meaningless, unless it is linked with the total liberation of Africa.”*

6<sup>th</sup> March, indeed, proved to be the critical turning point in the struggle for independence in Africa that had been ongoing for decades earlier. In the memorable words of the late British Prime Minister, Harold Macmillan, “a wind of change” started blowing across Africa. Indeed, resources were not spared by Ghana in supporting liberation movements across the continent. And Ghana became the Mecca for many freedom fighters and potential African leaders, who went there for inspiration, moral and material support.

The resultant picture, the decolonization of many African countries, including the dismantling of the apartheid system in South Africa, tells of success story of which all of Africa, including Ghana, are justifiably proud. Fifty years ago, expectations and optimism were high as the new nation

was born. Besides liberation of the continent, rapid industrialization of the country was another vision from the First Republic.

Looking back at those fifty years, Ghanaians are the first to admit that we encountered reverses on the way. The challenges of nation-building proved to be as daunting as were the struggles for liberation. There was no blueprint for the more difficult business of governance, economic management and the building of a nation out of the diverse peoples that had been forced within the artificial boundaries, imposed by colonialists for their own convenience. The new enthusiastic but mostly inexperienced leaders had barely any guide in the art of government. And for a long time, among both the political leaders and the people, it seemed that getting independence was an end in itself.

This naivety resonated around the African continent. If the 1960s were the time for political independence on the African continent, the 1970s and 80s were years in which much of Africa was thrown into the wilderness of political instability, tribal conflict and economic mismanagement. The continent seemed to relapse into the exploitative grips of neocolonialism and the early hopes sparked by independence seemed to fade.

In addition to this, the cold war was not always fair to young developing countries. It was not until the 1990s, with the end of the Cold War that another gust of “wind of change” blew across the continent. That brought in its wake a new breed of political leaders and a fresh commitment to constitutionality and African Renaissance. The continent was energised anew and eventually a new continental Organisation, the African Union, was formed as a successor to the OAU. The New

Partnership of Africa's Development (NEPAD), which is an agency of the AU, is mandated to promote partnership among the African countries and between them and the rest of the world for mutual benefit.

To enhance the dedication and purposefulness of the member nations to the mission of uplifting Africa, they are encouraged to further submit themselves to the African Peer Review Mechanism, by which they each submit voluntarily to be reviewed on the basis of the lofty principles of good governance by the rest of the members. Central to the principle is respect for human rights and the accountability of the leaders to the people. I am glad to report that Ghana was the first to be reviewed and is already implementing the recommendations from the review. With this trend, it is hoped that Africa is, at long last, making a serious march towards the recognition of the human rights of its own citizens.

Ghana, like some other African countries, went through some dark moments in her march towards democracy and political pluralism. With the benefit of hindsight, some of us realize that perhaps we attempted too much, too soon, and too quickly. In a mere six years, after our independence, our resources were depleted and the country was not attracting credit, partly because in championing the cause of Africa against imperialism, colonialism and neo-colonialism, we slipped on the treacherous terrain of the cold war, making enemies in the process. Internally also, various policies had proved divisive and the country had turned restive.

The combination of economic imbalance, enemies abroad and internal restiveness paved the way for the first coup d'état, which in turn set in train the recurrence of military interventions, over the next 26 years

(between 1966 and 1981) to “liberate”, “redeem” or “purge” the country, none of which did any good but rather worsened the economy. In short, it stunted Ghana’s development. As the records show, for the first 40 years of Independence, the military took the lion’s share of 22 years. There was no consistency to any vision or focus. Constitutionality became truncated, with the civilian population forced to look on as mere spectators. That was how the great expectation engendered by the attainment of Independence proved elusive. However, the restoration of constitutional rule in 1992 gave impetus to multiparty democracy, and structural and economic reforms helped to arrest the political and economic deterioration. The peaceful Presidential and Parliamentary elections in December, 2000 and the subsequent change of government from one party to the other , as well as the December 2004 renewal of mandate of the present Government are, indeed, firm manifestations of the country’s commitment to peace, democracy and development.

Ghana’s young democracy is characterized by an active opposition in Parliament, an independent judiciary and a free press. An independent Commission on Human Rights and Administrative Justice (CHRAJ) has been established to champion the cause of human rights issues in the country. The decentralisation of Government structures has ensured direct participation of the ordinary Ghanaian in governance and has contributed to the stability needed for economic development. The political climate in the country is, therefore, investor friendly and beneficial to investors.

Today, we in Ghana can say that despite the past challenges touched upon earlier on, the expectations and optimism at the time of our independence were well based, for they were founded upon the character and dynamism of the Ghanaian people.

At fifty, Ghana is once again being viewed as a model; this time, for good governance on the African continent.

Ghana today is a progressive open society. The people of Ghana are succeeding in creating an equitable, free and stable society. They have proved that constitutional governance and the rule of law, tolerance of political, religious and ethnic diversity, and freedom of expression are not hollow words but real pillars upon which peaceful co-existence and stability can be achieved in Africa as anywhere else. It was no accident that, for a decade, the United Nations was under the Secretary Generalship of an illustrious citizen of Ghana, Kofi Annan. His successful tenure enhanced the dignity and honour of our country and the entire African continent. It is also significant that African leaders unanimously elected President John Agyekum Kufuor of Ghana at the Eight Ordinary Summit of the African Union in Addis Ababa, Ethiopia, to lead the continental Union for this year.

The economy has been re-energised, and growth and prosperity are being fostered by a pluralistic and lively political debate and by the current Government's forward looking development policies. These have allowed Ghana to benefit from very substantial development cooperation and debt cancellation; they promise to make a reality of our vision of Ghana as the Gateway to West Africa.

For those who are not familiar with our economic history, I should state that in the immediate post-independence era, Ghana witnessed rapid progress in her development. At that time, as much as 20% of the country's budget was devoted to the development of industry and trade.

However, as a result of a series of internal and external shocks as well as political instability in the 1970s, Ghana's economy began to experience a nose-dive. The implementation of economic, social and political reforms in the 1980s contributed to the halting and eventually reversing the decline. Indeed the economy witnessed an average annual growth of 5% from 1983 to 1989.

The 1990s however, witnessed a decline in the country's economic performance as a result of difficulties in the government's fiscal programme and unbudgeted financial outlays for domestic and international commitments, including peacekeeping operations in the West African sub-region. The worst impact of the crises was felt by the industrial sector. Again, in 1999 the slide in the price of gold and cocoa, Ghana's main exports, the depreciation of the Cedi by some 100% and the geometric rise in the price of oil, threw the country's economic projections out of gear.

Indeed, since the return of constitutional governance in 1992, efforts to manage the economy on a sustainable basis have engaged government. But very little success had been achieved by the end of 2000. The country was suffering from overburdening of debts and their servicing.

In 2001, when the current Government came into office, inflation had reached 42% while lending rates of the banks were over 50%. The national currency had lost its bearing, resulting in a free-fall against major trading currencies, especially against the US dollar. The macro-economic environment was, therefore, very harsh for private sector operators. To reverse the situation, government had to adopt difficult but necessary policies, such as the Highly Indebted Poor Country (HIPC) initiative and

removal of subsidies on petroleum products and utilities. Also government drastically cut back on domestic borrowing to free credit for the private sector. Because of the transparent and sincere policy directions of Government, Ghana was, in a mere two years able to reach the completion point of HIPC, as of 2004, from which benefits such as immediate cancellation of US\$2 billion in bilateral credits, and a further cancellation of another US\$2 billion spread over the next 20 years, were granted by the Paris Club.

Successful macro-economic management has also yielded a stable currency that is now holding its own against major international currencies. The result further shows in inflation, which has dropped to 10.5% (as at December last year) and is still going further down. We aim to arrive at a single digit by the end of the year. Interest rates have followed the same trend and have fallen to around 20% from 52% six years ago.

From the reputation gained from the hard work to revive the economy, and the image abroad earned from good governance, two highly respected International Sovereign Credit Rating companies Fitch; and Standard and Poors have recently rated Ghana B, with a positive outlook and B+ respectively. The B+ rating compares favourably with those of Brazil and Turkey. Ghana has also qualified to access US\$547 million from the United States Government's Millennium Challenge Account, the highest among all beneficiary countries so far. Ghana is being administered with the conviction that good governance and transparency would unleash the creative potential of the people, wherever they may be and to make the country safe and conducive for trade and investment.

Cocoa rehabilitation and mass spraying have yielded their own dividends in terms of a higher tonnage of 740,000 MT, this year, compared to 370,000MT around 2000.

We are greatly encouraged by the help coming from our own nationals abroad, whose contributions in the form of remittances has passed US\$4 billion last year, from a mere US\$200 million, five years ago. This trend is the reverse of the capital flight of the past.

Recognising the private sector as the most effective engine of growth, government has launched policies to support the sector, such as facilitating access to credit, promoting joint ventures between Ghanaian enterprises and their foreign counterparts, and providing advisory services. The assignment of private sector development to the Ministry of Trade and Industry has strengthened our capacity to initiate and coordinate policies for the development of the sector.

The Banking and Financial Sector is also very vibrant and is among the fastest growing sectors of our economy with a lot of foreign banks establishing branches in the country. The Ghana Stock Exchange, which was established only a few years ago is internationally rated as one of the most successful emerging stock markets in Africa. The listing of Anglo-Gold Ashanti on the Ghana Stock Exchange has raised the operations of the Exchange to a new pedestal with greater international recognition and acknowledgement. In partnership with Barclays Bank, the country is soon to launch an international services centre in Accra. Also, with guidance from some of the worlds leading financial institutions like the Union Bank of Switzerland (UBS), Ghana is on the verge of venturing into the Bond Market.

## **GHANA'S FOREIGN POLICY**

Ghana's foreign policy generally seeks, inter alia, as set out in Articles 40, 41 and 73 of the national constitution;

- the promotion and protection of Ghana's interest;
- the pursuit of fair international economic and trade relations;
- the promotion and respect for international law and treaty obligations;
- the peaceful resolution of conflicts;
- the adherence to the principles of the United Nations, the African Union, the ECOWAS Treaty, and any other international Organisation to which Ghana is a member.

Africa has always remained the pivot of Ghana's foreign policy. You may recall that one of the foremost champions of African Unity was Ghana's first President, Dr. Kwame Nkrumah who, taking inspiration from such renowned champions of the Pan African Movement, such as Marcus Garvey, W. E. B. Dubois and George Padmore, believed that African political liberation and unity were necessary first steps to achieving economic development and in freeing Africa from poverty and humiliation. It is this conviction that explains why Africa occupies pride of place in Ghana's Foreign Policy. In pursuing our Pan Africanist Policy, which started during the height of the cold war, Ghana decided to remain neutral between the two competing camps, hence the pursuit of a distinct Non-aligned perspective on global issues. Today, with the entire African

continent free of colonial rule, Ghana believes that this initial national mission has been successfully accomplished.

The emphasis in recent years has been on economic diplomacy, and the guiding principle has been the pursuit of favourable and mutually beneficial bilateral and multilateral relations, with the view to promoting peace and security, greater integration, sustainable development, all geared towards achieving prosperity for our peoples.

It is against this backdrop that as a nation, we have tried to influence the structures and functioning of our regional and continental organisations – ECOWAS and the African Union.

Peace, security and sustainable development in West Africa are inextricably linked. While making strenuous efforts at ensuring political and socio-economic advancement at home, Ghana has at all material times also been at the forefront of the search for peace in the region, realising as it were, that for development to be sustainable, it must be attained and maintained in an environment of peace and tranquility.

For over a decade and a half, West Africa became a theater of internecine conflict and warfare, which tore apart countries such as Liberia, Sierra Leone, Cote d'Ivoire and, to some extent, Guinea-Bissau, and virtually forced member states of ECOWAS, including Ghana, to revise the Treaty setting up the Organisation to enable it address the new challenges posed by the deteriorating security situation in the region, which detracted from the pursuit of its economic agenda. A lot of achievements that were chalked by ECOWAS in the search for peace in West Africa could be attributed to the strong chairmanship the

organisation has enjoyed over the years. Also, since 2001, pushing for more friendly relations with our neighbours has engaged the Government of Ghana. The result can be seen in our secured borders and a free flow of economic and other business activities. It is no accident that Ghana has been elected twice to the chair of ECOWAS, while continuing goodwill is to be seen also in the unanimous election last January to the Chairmanship of the AU for this year.

Ghana plays a positive and forward-looking role not only in the sub-region but beyond it as well. On the continent, Ghana remains committed to developments to promote peace and good governance. Ghana has served as a member of the AU Peace and Security Council and we support the African Peer Review Mechanism. Our analysis so far tells us that good governance is critical for breaking the mould of disorder and conflict on the continent – that is why we have placed so much faith in the APRM.

On the global front, we retain membership of the UN, proud to have been elected to the Security Council and the Human Rights Council last year. As a member of the United Nations Security Council, we have worked hard to advance the cause of peace. Our security forces demonstrate that our commitment goes beyond words, with Ghanaian soldiers and policemen deployed in peace keeping and support operations from Liberia to Darfur and from Cote d'Ivoire to Lebanon. We remain active also in the Commonwealth and the Non-Aligned Movement, while maintaining virile friendly bilateral relations with all countries.

**CONCLUSION**

In conclusion, I will like to say that as a people, we are confident that with our determined effort to remain focused in the pursuit of the requisite economic fundamentals involved in the priority areas we have identified, Ghana will achieve a lot of economic progress and well-being which will enable us to become a middle income country in the next decade. Of course many challenges face us as we prepare for the next fifty years and as new threats to peace and prosperity emerge. But in our ever-changing world, I believe one thing is certain. As Ghana moves to face these challenges, she can rely on its partners, who are our loyal friends.

Thank you for your attention.