

Development in the North.

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- The growth and development of the North must be seen as a national issue:
- Historically wide disparities in regional development have a tendency to create social and political instability.
- Regional disparities were created by national policies. Is inequality inevitable with development.
- Programme needs to be supported nationally to generate the relevant resources. The concept of the North must therefore transcend regional boundaries to encompass the entire Guinea Savanna belt including northern BA, and Northern Volta regions. This zone coincides with the cotton growing belt that was marginalized in the colonial period in favour of other regions of the world

- The development of the North must be based on growth and not redistribution of the largesse of growth elsewhere:
- 1) The development of Northern Ghana was determined by the overall development strategy of Ghana. In the immediate post-independence period, Ghana's development
- 2) Even though the overall development strategy of Ghana had changed to a private-sector export-led growth strategy, the approach to development in the North reverted to welfarism. Redistribution and the provision of social facilities were to be the basis of development. The North has one of the highest concentration of NGOs and yet it has not grown. And it is backward. This because the operations of these NGOs are welfarist and humanitarian. Economic literature shows that these elements of aid are the least growth enhancing.

- In terms of strategy there is a need for a differentiated programme tailored to the needs and circumstances of the different ecological zones . The overall national economic policy framework is important. However:
- 1)Historical developments imply the binding constraint to development differ markedly across the different zones particularly the North. The availability of infrastructural and human capital vary.
- The ability to recognize and respond to nationally created incentives vary widely In terms of strategy there is a need for a differentiated programme tailored to the needs and circumstances of the different ecological zones . The overall national economic policy framework is important. However:
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- 2) Perceptions of risk and entrepreneurial ability vary. According to some these were both created by an educational system that concentrated on producing a good public servant in the North..
- 3) the economic opportunities vary across zones.
- The application of the diagnostic approach implies that the binding constraints to development vary across zones. In some cases it may be self discovery. In others it may be finance or both.

- The evidence from both Burkina Faso and Ghana is that farmers engaged in food crop farming unrelated to international trade, constitute the largest proportion of the poor. To address the issue of poverty reduction and reducing the gap between Northern Ghana and the rest of the country simultaneously, the development strategy in Northern Ghana has to be based on international trade. Accelerated economic development in Northern Ghana will have to revert to a growth strategy based on the export potential of the area. Export-led growth strategy does not exclude efficient ISI.

- However this strategy will have , initially to be based on the agricultural sector. Agriculture will have to increase in importance before it declines. A number of issues will have to be addressed:
 - The traditional crops cannot form the basis at least initially for the transformation.
 - How do you modernize agriculture amongst the poor.
 - The infrastructural and human capital requirements of such a transformation have to be identified. However this strategy will have , initially to be based on the agricultural sector. Agriculture will have to increase in importance before it declines. A number of issues will have to be addressed:
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- PEACE: the most important factor for Northern development is peace:
- the lack of peace diverts attention away from economic and productive issues.
- It scares investors, increases the risks of doing business in the North and reduces the risk adjusted profitability of economic activities in the area.
- The lack of peace locks up resources which could have been used for infrastructural development in peace keeping operations.