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Ghana, 1964–2014**

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**Published version**

ADU-AMPONG, Emmanuel (2018). Tourism and national economic development planning in Ghana, 1964–2014. *International Development Planning Review*, 40 (1), 75-95.

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**Tourism and national economic development planning in Ghana, 1964-2014**

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## **Tourism and national economic development planning in Ghana, 1964-2014**

### *Abstract*

Tourism continues to be a significant source of economic activity for many developing countries. The challenge for such countries has been how best to effectively plan for tourism development within overall national economic development planning and policies. This paper takes a historical approach in examining the conception of tourism development in Ghana within successive national economic development plans. Since independence in 1957, tourism has been identified as an opportunity for economic growth. In the early days of national development planning, tourism was seen mainly in terms of its foreign exchange earning potential. Within the current medium term national economic development plan (Ghana Shared Growth and Development Agenda 2014-2017), tourism is now positioned as one of seven key economic pillars for transforming the economy. This paper argues that the shift in thought about tourism's economic role within a country can be traced through the historical eyes of successive national economic development plans.

**Keywords:** Ghana, tourism policy, tourism sector, national economic development plans, economic growth, poverty reduction

## **Introduction**

The tourism sector – however defined – is commonly regarded as the largest industry in the world. This sector contributes more than 9% to global GDP (Christie et al, 2014) and 1 in every 10 jobs globally (UNWTO, 2017). The growth rate of domestic and international tourism is currently faster in many developing regions around the world. In Sub Saharan Africa for example, the United Nations World Tourism Organisation (UNWTO) estimates 58 million international tourist arrivals for the year ending 2016 in absolute terms. On one hand, the continued growth in international tourism and associated revenue has seen tourism touted as having the potential to bring about more equitable, sustainable and net benefits to local people (Ashley et al., 2000; Spenceley and Meyer, 2012). On the other hand, some have questioned the poverty reduction potential of tourism noting that increased tourist arrivals do not always translate into increased economic opportunities for local people. The nature of the international tourism system tends to involve the exploitation of the resources of developing countries (Mowforth and Munt, 2009) while keeping these countries in a dependency relationship with more developed countries (Britton, 1982) which sometimes leads to further entrenchment of poverty and inequality (Pleumarom, 1994; Schilcher, 2007).

In many developing countries nonetheless, tourism is being considered as the engine for current and future economic growth. With the help of international development and funding agencies, many of such countries continue to develop tourism policies and plans. However, these tourism policies tend to centralize the tourism development process at the national level (Harris et al., 2012). In addition, the making of such tourism policies and plans tends to be far removed from the focus of overall national

economic development planning policies. The delicate balance of situating tourism development policies within overall national economic development planning is not always achieved. It has been argued that tourism development needs to be integrated into the overarching national economic development planning processes (Inskeep, 1988; Harrison, 2008). Thus, the priority given to tourism within national economic development planning offers a good indication of the economic significance attached to the sector.

This article argues that it is important to consider the extent to which tourism is seen as a priority within any given national economic development plan. On one hand national economic development plans tend to be based on short to medium term goals. They are developed by a particular political party government in power based on what they consider to be key priorities (McCauley, 2013; Arku, 2006). On the other hand, tourism development plans tend to be long term policy documents that more often than not outlive the duration of any one political party government (Hall, 2008). Moreover, the making of tourism development policy and plans in many developing countries tend to be funded, and to an extent driven by external international development organisations like the United Nations Development Programme (UNDP) and the UNWTO. The national economic development plans provide the policy framework and make available the needed resources for sectoral development through budgetary allocations. This paper therefore takes a historical approach to examining how key national economic development plans in Ghana have conceptualised the role of tourism in economic development since independence. Tourism in Ghana has in recent times become a leading source of foreign exchange. The question has been whether this growth of

tourism forex earnings has been despite the differing ways national economic development plans have sought to prioritise the sector. This research therefore shows that an increasing importance attached to tourism within national economic development plans has had a positive impact on the growth of the tourism sector.

The structure of this paper is as follows. After this introduction, the role of tourism in economic development planning is briefly outlined. An overview of tourism in Ghana is provided in the third section in addition to a brief outline of the research approach. The fourth section discusses how tourism development is conceptualised within the main national economic development plans from 1964 to the most recent plan. The final section of the paper is the conclusion which highlights the shifts and continuity in how tourism's economic role is thought of within national development plans.

### **Tourism in economic development planning**

The idea that tourism represents an opportunity for economic development and poverty reduction in especially developing countries dates back to the period after the Second World War (Steiner, 2006). Newly independent countries were encouraged to adopt tourism development in order to boost their foreign exchange earnings, generate employment and income, and to generally stimulate economic development. In the 1970s and 1980s, tourism was considered functional to development and it was assumed that the benefits of tourism development would result in a greater multiplier effect that would stimulate the local economies of developing countries. This was especially the case in many Sub Saharan African (SSA) countries where the

implementation of Structural Adjustment Programmes (SAPs) brought a focus on tourism as an avenue for economic diversification and foreign exchange earnings. The debates at this time centred on tourism as a developmental tool without specifying exactly how this was to benefit the poor (Harrison, 2008). In the late 1990s, and in line with the poverty focus of international economic development planning, the debates on tourism became focused on how tourism as a developmental tool can specifically bring benefits to the poor (Harrison and Schipani, 2007).

Given the important role tourism plays in the economies of many developing countries, their approach to tourism planning tends to involve “big bang masterplans” (Burns, 2004). Such tourism master plans are more often than not the product of various technical assistance programmes involving external consultants. The involvement of external consultants in the making of tourism master plans sometimes lead to a mismatch between local needs and the goals of external funding agencies which impacts on plan implementation. Tourism master plans tend to be based on statistical projections of expected tourist arrivals and receipts which serves as the basis for current and future investment. These tourism master plans covering an average of 10 years, seek for both international and domestic investments to develop the tourism sector. Given the volatile nature of the tourism sector, short term fluctuations in arrivals and receipts makes it difficult to attract the needed investments to fully implement such long term plans. Moreover, the long term nature of such tourism plans means that they are easily made redundant by the short term goals of changing governments. Consequently, it is well known that many of such tourism master plans end up gathering

dust on the shelves of tourism ministries without being (fully) implemented (Teye, 1999; Burns, 2004).

In contrast to tourism master plans, national economic development policies and plans tend to have a more short to medium term focus. This is because each successive government uses these plans as opportunity to set out their economic priorities. In Ghana for example, national economic development plans cover an average of 3 years while a 15-year period tend to be the norm for tourism plans. Consequently, the shifts in thought about the economic role of tourism in national development policies can be best understood through various national development plans. It is in these plans that sectoral policy frameworks and resources are made available.

Planning for tourism as a development strategy presents certain challenges due to the complex nature of the tourism sector. Tourism is a composite product and hence suffers from high fragmentation of its component parts of travel, accommodation, attractions and other hospitality services (Sinclair, 1998). Each component tends to be dominated by foreign investors leading to the economic leakage of tourism earnings from developing countries to the developed countries (Britton, 1982; Scheyvens, 2007; Harris et al., 2012). While tourism development tends to be predominantly private sector-led, there is a clear planning role for the state in developing countries in ensuring that economic leakages are reduced while increasing the benefits from tourism. The state in developing countries continues to wield considerable authority in setting the policy agenda as the state determines the priority areas for economic development planning (Tosun, 2000; Adu-Ampong, 2017b). It has been acknowledged that the state

needs to take an active involvement in coordinating and linking tourism development with wider national development objectives. An absence of state planning intervention to provide long term direction increases the likelihood that the short term interests of power groups may lead to the unsustainable development of tourism (Brohman, 1996).

### **Overview of tourism and economic development in Ghana**

The tourism sector in Ghana continues its trajectory as the fastest growing economic sector of the economy. Starting from an insignificant entry into and contribution to national accounts, the tourism sector rose to become the third highest foreign exchange earner for the country in 2010 (Adu-Ampong, 2017a). Tourism currently occupies the fourth position having been overtaken by remittances since the year ending 2013. It is estimated that in the year ending 2013 the travel and tourism sector made direct contributions of US \$1.3 billion and a total contribution of US \$ 3.0 billion to GDP which is 3.0% of total GDP and 7.2% of total GDP respectively (WTTC, 2014).

INSERT TABLE 1 AROUND HERE

In his 2014 State of the Nation Address, the Ghanaian President however noted that the tourism and creative sector contributed US \$ 1.9 billion representing 4.7% of total GDP (Adu-Ampong, 2017b). As shown in table 1 above and figure 1 below, there is a consistent increase in tourism receipts and contribution to national GDP over the last couple of years.

INSERT FIGURE 1 AROUND HERE

The available tourist arrivals and receipts data in Ghana – and to an extent many other developing economies - tend to be ambiguous due to the challenges of accurate data collection (Jerven, 2013; Cobbinah and Darkwah, 2016). Thus for example, the Ghana Tourism Authority (GTA) estimates that the one million mark of international arrivals was passed in 2011 while the Ghana Immigration Service (GIS) puts the 2011 international tourist arrivals at just under 600,000. The estimate of the GTA is based on projections while that of the GIS is based on self-completed entry/exit cards for international arrivals that excludes those people travelling with Ghanaian passports. Although there are differences in total figures due to different methodological approaches what is clear is that the tourism sector in Ghana is currently a significant contributor to economic growth and development as shown in table 1 and figure 1 above.

The article is based on a three year research project examining the relationship between tourism governance and the role of tourism in local economic development and poverty reduction (Adu-Ampong, 2016). A mainly qualitative research approach was adopted involving interviews, documentary analysis and observations. This particular article, draws upon a large body of published and unpublished documents and entailed a detailed content analysis of the key national economic development plans as shown in table 2 below. The analysis is also situated within the wider socio-economic changes that were taking place in Ghana during these time periods.

INSERT TABLE 2 AROUND HERE

## **Findings and discussions**

In the period leading up to Ghana's independence on 6 March, 1957, it was well known that the country was endowed with immense tourism potential. Tourism was seen as an opportunity to bring about economic development and reduce regional disparities as many tourism resources and assets were found in poor communities. In 1956 the Ambassador Hotel in Accra was constructed to accommodate invited guests to the 1957 independence celebration. This is seen as the first formal tourism development project by the government (Asiedu, 1997). Further efforts at tourism development were shaped by various short, medium and long term national development policies and plans. Within these plans there are considerable variations in the policy goals and priority given to the tourism sector. This section analyses how each successive plan conceptualised tourism's role in economic development and poverty reduction.

### *The 7-year Development Plan for National Reconstruction and Development 1963/64 – 1969/70:*

This plan was approved by Parliament seven years after independence on 16th March, 1964. Its two main pillars were plans for the modernisation of agriculture and the most rapid expansion of industrial activities in Ghana. The hope and expectation was that by the end of implementation in 1970, a solid and firm foundation would have been laid towards transforming Ghana into a strong, industrialised socialist economy and society.

This was to coincide with the 10th anniversary of Ghana being a Republic. In a speech to Parliament by the President Osagyefo Dr. Kwame Nkrumah on the launch of this plan, he outlined three main goals. First, the speeding up of the rate of national economic growth and then a socialist transformation of the economy through rapid state and co-operative sector development. The third goal of the plan was to completely eradicate the persisting colonial structure of the economy. These goals were based on the guiding philosophy of African (scientific) socialism in which the state ultimately comes to control the bulk of economic activities. While these goals on first reading might appear at odds with each other, there was an acknowledgement that within the short term, the economy of Ghana would remain a mixed economy. It was however expected that a vigorous public and co-operative sectors will expand rapidly into the strategic production areas of the economy at an inverse rate to private sector investment, and in accordance with socialist principles. In sum, the State was “determined to ensure that the operation of a mixed economy leads to the socialist transformation we envisage, and not to the defeat of our socialist aims” (Government of Ghana, 1964: xi).

A simple word search through this plan identifies only one occurrence of the word ‘tourism’ and another instance of the word ‘tourist’. These words appear in Chapter 12 of the plan under the heading of ‘Foreign Trade and Payments’. In this chapter, the emphasis is on the need to broaden the export base of the economy and move from an overreliance on export income from cocoa, timber and minerals. Tourism is mentioned under the ‘Exports’ subsection where it is noted that “[t]ourism is in many countries a very important source of foreign exchange earnings and this should be encouraged as a means of improving our invisible trade with the rich countries of the world”

(Government of Ghana, 1964: 228). The paragraph then moves on to discuss shipping and insurance as other aspects of Ghana's invisible trade with other countries and how to increase revenues from these areas. The word 'tourist' appears under a section on 'The Management of Foreign Exchange' where the Bank of Ghana is to review its "policy regarding the scale of remittances permitted for some of the service transactions such as immigrants' remittances, tourist travel, capital allowances for emigrants going out of Ghana, etc." (Government of Ghana, 1964: 230).

The passing mention given to tourism within this plans shows that the economic role of tourism in national development is at this point seen merely in terms of foreign exchange earnings. There is no attempt at embedding tourism within the wider place-based planning that was to be implemented over the course of the plan. There is no mention of the kinds of tourism resources available in the country and how these are to be developed to increase foreign exchange earnings. Although the plan only makes passing mention of tourism's role in economic development there were other significant developments being made by the government around the same time period. During this period, the general institutional framework that guided tourism planning and management was one of active state involvement. A number of public sector tourism institutions were established which all underwent frequent changes and ministerial (re)alignment (see Adu-Ampong, 2017c; Aseidu, 2008; Akyeampong, 2006). For instance, the Ghana Museums and Monuments Board (GMMB) was established in 1957 while the State Hotels and Tourist Corporation (SHTC) was established in 1962. Tourism was also given ministerial recognition in 1960 when it was made a part of the National Ministry with responsibility for Parks and Gardens. In 1965, the SHTC was split

up into the Ghana Tourist Corporation (GTC) and the State Hotels Corporation (SHC). These tourism institutions have endured up to contemporary times under different guises given the frequent changes in name and functions experienced. In a way, the government's ambivalence in prioritising tourism within national development planning during this period is due to the issue of international tourism being seen as a form of neo-colonialism. The active promotion of international tourism was therefore seen as being incompatible with the tenets of 'African socialism' that was espoused by the government of the day (Asiedu, 1997).

#### *The 5-year Development Plan, 1975/76 – 1979/80*

This plan has been developed under and approved by a military government – the Supreme Military Council (SMC) in January, 1977. This is a two-part plan with Part I consisting of general national development issues highlighting the resources available for achieving planned goals. Part II of the plan comprises of a series of sector chapters prepared by various State Ministries, Departments and Agencies (MDAs). The introduction to Part II of the plan perceptively notes that it is an inevitable outcome that some hopes in the plan will be unrealised as the need for public investment exceeded available resources. Pertinently the plan is seen as marking a transition from emergency development planning and operations (due to political instability) to long-term development efforts. Agriculture, industry, mining and transport are given particular emphasis as attempts are made towards the diversification of export products and an increase in local production for domestic use.

In Part I of the plan, tourism is discussed in Chapter 2 (Basic Issues and Constraints) under the section 2.1.4 (Balance of Payments) as well as in Chapter 4 (Resource Availability and Mobilisation) section 4.2 (External Financial Resources). Tourism is seen as a source of foreign exchange and hence efforts are to be made to exploit available tourism resources while taking care to “minimise ecological, social and other hazards which tourism seems to generate when not properly programmed and monitored” (Government of Ghana, 1975: 22). The plan also makes it clear that “the development of Tourism in Ghana will not deteriorate into an exercise of subsidising foreigners’ consumption habits to the detriment of the nation” (Government of Ghana, 1975: 64). This awareness, at the time, about the potential economic leakages that tend to accompany tourism development meant that the planning goal was to develop the tourism sector as a viable net foreign exchange earner.

The discussion on tourism in Part II of the plan comes under Chapter 5 (Forest Resources). The form of tourism envisaged within the plan is one of nature and wildlife tourism. The aim is to promote the touristic use of wildlife through the expansion of recreational facilities in the national parks. The plan notes that the non-availability of recreational facilities and poor accommodation has made it difficult to develop the clear linkage between recreation and tourism within national parks. Attempts are to be made to invest in the provision of such recreational facilities. This national development plan outlines a very significant understanding of the crucial role of basic infrastructure in the development of tourism. For instance, in an appendix on road construction projects, it is noted that the construction of the 24km Kumasi-Kuntunase road when completed would boost up tourism in the areas surrounding the Lake Bosomtwi – a natural crater

lake (Government of Ghana, 1975; 154). Thus this plan shows a shift in embedding tourism development within national development planning mainly in terms of the recreational use of wildlife in national parks.

*The Ghana: Vision 2020 (The First Step: 1996-2000)*

Between the 1970s and early 1990s, Ghana experienced a number of coup d'état and military governments which affected both long term economic development planning and tourism development (Teye, 1988). In 1983, Ghana started an Economic Recovery Programme (ERP) under the Structural Adjustment Programme (SAP) of the World Bank and the IMF. An outcome of this was the drawing up of the Ghana Vision 2020 Strategy with the ultimate goal of leading the country into the middle-income status by 2020. The First Step 1996-2000 national economic development plan under the Vision 2020 Strategy sought to consolidate the economic and development gains that had been made since the start of the SAP. The goal was therefore to lay a foundation for accelerated growth and development of the country over the subsequent two decades. Within this strategy, tourism was considered as an avenue for diversifying the economy and increasing the foreign exchange earnings (Konadu-Agyemang, 2001).

The focus in this plan is on creating effective linkages between agriculture (forestry) and the tourism and recreation industry. Thus the development of agriculture, for example, as the dominant economic sector of the economy is to be linked with providing inputs to the tourism sector. Tourism's role is therefore conceptualised in terms of: i) agriculture (forestry) linkages; ii) trade, export and services sector in order to establish

Ghana as a major venue for international tourism and increase foreign exchange earnings and; iii) culture, especially on the basis of the past relationship with European countries and Africans in the Diaspora (Government of Ghana, 1996). For the first time in national economic development planning, a link is made for culture – specifically Ghana’s history of slave trade, colonialism and Pan-Africanism – to be a basis for tourism promotion in order to attract Africans in the Diaspora.

The First Step Plan marks a turning point in how national economic development plans thought of tourism’s economic role. This shift is not only in terms of diversifying into tourism but significantly, a focus on diversifying the tourism products and services on offer. Consequently the focus on the touristic and recreation use of wildlife found in earlier plans is expanded to create better linkages between tourism and agriculture. Importantly there was a clear shift in marking out cultural heritage as the basis for future tourism development. One of the policy interventions that is made at this time is the establishment in 1993 of a Ministry of Tourism prior to which tourism was represented as an appendage desk under the Ministry of Trade. Another significant event in the tourism sector is the first ever Emancipation Day celebrations in Ghana in 1998. This celebration attracted a significant number of Africans in the Diaspora and in the Caribbean to visit Ghana.

#### *The Ghana Poverty Reduction Strategy 2003-2005*

The Ghana Poverty Reduction Strategy 2003-2005 (GPRS I) as a medium term development plan is focused on poverty-related spending and redistributive policies as

a direct poverty reduction strategy. The GPRS I is built around five main priorities namely: 1) infrastructure; 2) modernisation of agriculture for rural development; 3) enhanced social services; 4) good governance and; 5) private sector development (Government of Ghana, 2003). The overall goal of the plan is to identify and develop strategies that can directly help in poverty reduction. The development of the tourism sector is identified as one such strategy since tourism has the potential “through multiplier effects to create employment opportunities in other sectors, for example the food industry” (Government of Ghana, 2003: 72). The word ‘tourism’ appears 9 times in the whole policy document with the initial 3 instances being in the Executive Summary under section 3.2 (Strategies for increasing production and gainful employment). The substantive discussion about tourism’s role in economic development comes under the section on ‘Services Sector’. During this period, foreign exchange earnings of tourism were ranked as 3rd in the national economy after gold and cocoa. Business and conference tourism attracted more tourists to Ghana than purely holiday, vacation and leisure tourism. The GPRS I therefore sees the expansion of the holiday, vacation and leisure tourism as an area to be explored and developed.

Tourism’s role in national development is conceived of in the GPRS I not only in terms of increasing foreign exchange but also in the specific terms of tourism’s direct and indirect employment potentials. It is recognised that tourism can “employ and enhance the skills of people in geographical areas where the poor reside most” (Government of Ghana, 2003: iii). Thus, there is a clear linking of tourism development to the poverty reduction goals of the plan. The GPRS I represents the first national development plan to conceptualise a direct relationship between tourism and poverty reduction in addition to

the usual focus on foreign exchange earnings. The tourism sector is untied from the association with trade and is linked with the services sector. While the GPRS I talks about a “vigorous encouragement of tourism” and to “vigorously expand employment in the sectors such as tourism” (Government of Ghana, 2003: iii), there is no clear indication of how this is to be achieved. The only hint is when there is a discussion about granting tax breaks to private sector enterprises to set up natural resource based eco-tourism businesses and other cottage industries that are located in rural communities. The GPRS I is thus not very clear on the ‘how’ of fully exploiting the direct and indirect employment potentials of tourism for poverty reduction. However, it does provide a broad framework that shifts the focus, albeit slightly, away from tourism’s contribution to foreign exchange earnings to its poverty reduction contributions.

#### *The Growth and Poverty Reduction Strategy 2006-2009*

Unlike the GPRS I that has poverty-related spending and redistributive policies as the underlying rationale, the 2006-2009 plan outlined a shift in focus. This shift is signaled with the change of name from the Ghana Poverty Reduction Strategy to the *Growth and Poverty Reduction Strategy* (GPRS II). This is not simply symbolic but shows the changed basic intent of the policy. The GPRS II sees growth as the primary path to poverty reduction and the central goal is to “accelerate the growth of the economy so that Ghana can achieve middle-income status within a measurable planning period” (Government of Ghana, 2006: i). Interestingly the preface to the GPRS II is written and signed by the chairman of the National Development Planning Commission (NDPC) – J. H. Mensah – who was the Executive Secretary of the National Planning Commission

back in the 1960s and in 1964 wrote and signed the introduction to the 7-year Development Plan (1963/64 – 1969/70). With a focus on growth, the GPRS II outlines the following priority areas over the planning period: 1) continued macroeconomic stability; 2) accelerated private sector-led growth; 3) vigorous resource development and; 4) good governance and civic responsibility (Government of Ghana, 2006).

The GPRS II attaches increased importance to the tourism sector in the quest for growth. The word 'tourism' appears 47 times and as evidence of its increased economic significance, tourism appears in the table of contents – *3.4.3 Developing the Tourism Sector for Revenue and Employment Generation*. This gives a clear indication of how tourism's role is conceptualised; as one of revenue generation and employment generation which then is expected to contribute to poverty reduction. In the first substantive discussion on tourism, the sector is seen as one of the additional emerging sectors that can contribute towards accelerated growth. The anticipated policy intervention was one of developing a vibrant private sector with the capacity to invest, develop and lead the growth of the tourism sector. The tourism sector is seen as one of the strategic sectors that need to be developed over the course of the plan because of it having long-term growth potentials. In chapter 3 of the plan – *Priorities for Private Sector Competitiveness* – the key plans and strategies for tourism are laid bare in subsection 3.4.3 (*Developing the Tourism Sector for Revenue and Employment Generation*). The tourism sector, although seen as a young but expanding industry is noted as contributing 4% of GDP and with the potential to become the main foreign exchange earner for the country. The historical, cultural and archaeological sites and attractions are considered as being the country's comparative advantage. The plan does

note that major constraints such as inadequate infrastructure and low quality of service delivery and standards were hampering the effective utilisation of the potential of tourism.

The overall policy thrust for the tourism sector in the eyes of the GPRS II is “to realise the potentials of the sector by making Ghana a competitive and quality tourism destination whilst preserving the country’s cultural, historical and environmental heritage” (Government of Ghana, 2006: 38). In order to achieve this, the GPRS II outlines four main strategies and policy interventions to be pursued over the life span of the plan. These are to: 1) promote tourism as a major source of domestic revenue; 2) promote domestic tourism to foster national cohesion as well as redistribute income; 3) promote sustainable and responsible tourism in such a way to preserve historical, cultural and natural heritage and; 4) promote crafts industry for tourist trade and export. Unlike the earlier plan, the GPRS II provides specific strategies that are to be implemented in order to develop the tourism sector by mapping out key areas of focus with implementation and collaborative agencies. Although the GPRS II makes clear the importance of tourism to the national economy, the emphasis here is on the growth potentials of the sector. In contrast to the GPRS I, the GPRS II does not make a direct conceptualisation of tourism’s role in poverty reduction. This is in line with the general policy focus of the plan on growth as a pathway to poverty reduction. In a sense the problematic idea of ‘trickle-down’ permeates this plan as the assumption is that a focus on growth will eventually lead to employment creation and then poverty reduction.

### *The Ghana Shared Growth and Development Agenda 2010-2013*

In a continuation of the trajectory of the GPRS II, the Ghana Shared Growth and Development Agenda, 2010-2013 (GSGDA I) as a medium-term development policy framework sets out a programme of action to accelerate employment creation and income generation. There is a shift of emphasis from direct spending on poverty reduction strategies to employment and income generation as a way of working towards poverty reduction. The overarching economic development policy goal of the GSGDA focuses on achieving and sustaining economic stability and higher growth rates in order to attain \$3000 per capita income by 2020. This overall goal is set around seven thematic areas: 1) ensuring and sustaining macroeconomic stability; 2) enhanced competitiveness of Ghana's private sector; 3) accelerated agricultural modernisation and natural resource; 4) oil and gas development; 5) infrastructure, energy and human settlements development; 6) human development, employment and productivity and; 7) transparent and accountable governance (Government of Ghana, 2010).

The GSGDA I sees the development of the tourism sector as one of the strategies for enhancing the competitiveness of the private sector. The word 'tourism' appears 61 times throughout the plan signifying the growing importance attached to the tourism sector within national development planning. Indeed the tourism sector is seen as one of the seven growth pillars and priority areas that will drive the long-term growth and economic development of the country (Adu-Ampong, 2017b). The other six growth pillars are identified as agriculture, manufacturing, infrastructure, services, extractive industry (oil, gas and minerals) and creative arts.

The substantive discussion on tourism's role in achieving the goals of the GSGDA I is found in chapter 3 (Enhancing Competitiveness of Ghana's Private Sector) under section 3.6 (Developing the Tourism Industry for Jobs and Revenue Generation). Here the medium-term priority policy interventions in the tourism sector are centred on the goals of: i) increasing the GDP contributions of tourism; ii) increasing the foreign exchanging earnings through tourism and; iii) creating and increasing high value employment and incomes in the tourism industry. The specific strategies for achieving these goals are seen as diversifying and expanding tourism products for increased revenue, promoting domestic tourism for national cohesion and income redistribution and promoting sustainable and responsible tourism to preserve the historical, cultural and natural heritage. The GSGDA I identifies some of the structural constraints to utilising the tourism sector for job creation and revenue generation. The policy interventions that are proposed to address these issues within the tourism sector are to: 1) improve the legal and institutional framework for managing the sector; 2) improve human resource capacity of the industry; 3) improve the infrastructure base of the industry and; 4) reduce the credit constraints associated with the sector (Government of Ghana, 2010). It is expected that these policy interventions help to unleash tourism's potential in revenue generation and job creation.

#### *The Ghana Shared Growth and Development Agenda 2014-2017*

The Ghana Shared Growth and Development Agenda 2014-2017 (GSGDA II) is the most recent national economic development plan. Following a significant expansion of the national economy particularly in terms of increase in foreign direct investment in the oil

and gas sector, the country attained a lower middle income status over the course of the GSGDA I. However, the GSGDA II notes that this expansion of the economy did not as yet result in adequate job creation and decent work. This coupled with reduced donor inflows because of the newly attained lower middle-income country status lead to significant fiscal and balance of payment deficits and challenges. Despite the notable progress made, the GSGDA II identifies the remaining development challenges in Ghana to include large fiscal deficits, inefficient management and use of public resources, weak linkages between agriculture and industry, non-competitiveness of the private sector and growing socioeconomic and spatial inequalities among others. The thematic focus of the GSGDA II remains the same as the seven areas outline in the GSGDA I. The overall policy objective of the GSGDA II is to transform the national economy and shift the employment composition in favour of industry and services. This objective is to be achieved through accelerated public investments and the promotion of tourism among others.

Tourism is once again given prominence and identified as a key platform upon which to build the socioeconomic transformation of the country over the medium-term. The word 'tourism' is used 66 times through this plan. Specifically, the GSGDA II outlines that "Ghana's historical, cultural and ecotourism assets will be leveraged with support services and infrastructure to make the country an important tourism destination and accelerate the growth of tourism earnings" (Government of Ghana, 2014: 22). The GSGDA II makes clear strategic linkages between tourism and other sectors. The goal is to use tourism to create jobs and increase foreign exchange earnings. In line with the policy goal of shifting the employment composition of the economy, the plan identifies

improvement of infrastructure and diversification in tourism products to be key in enhancing the employment opportunities in tourism especially when it comes to youth entrepreneurial employment.

In chapter 3 of the GSGDA II, tourism is substantively discussed under sections 3.2.2 (Tourism Development) and 3.3.5 (Development of the Tourism Industry). The overall strategy outlined for the tourism sector is to be “underpinned by vigorous promotion of international conferences, cultural, leisure, health and education tourism” (Government of Ghana, 2014: 51). The policy interventions that are set out to achieve this goal include an accelerated operationalisation of the Tourism Development Fund and the mobilisation of Public-Private Partnerships (PPPs). The mobilisation of the PPPs in the tourism sector is to address the deficits in infrastructure, human resource and tourism product diversification. While the culture and creative arts industry is discussed under separate headings from tourism, the GSGDA II makes it clear that “a well-coordinated calendar of music and cultural festivals and also the creation of cultural villages with targeted marketing campaigns will expand Ghana’s tourism infrastructure and services” (Government of Ghana, 2014: 23). This represents another shift in diversification of tourism products to include the arts and creative sectors. The discussion in the GSGDA II shows a nuanced understanding of how to increase tourism’s economic role in national development planning.

## ***Conclusion***

Over the years, there have been progressive shifts in the way that international development agencies and tourism development experts have thought of tourism's economic role in national development. These shifts have been driven by changing intellectual trends and thoughts around the extent to which tourism can serve as a tool for economic development and poverty reduction. In particular, there have been shifts in the perceived role of the state in tourism development and in the distribution of the benefits accruing from it. Given, the potential high rates of economic leakages associated with tourism development, there is the need for integrating tourism development within wider strategic national economic development policies and plans. The case study of Ghana as presented in this paper shows the expanded view of the relationship between tourism and national economic development.

Starting from an insignificant entry into national accounts, tourism in Ghana is currently the 4<sup>th</sup> highest foreign exchange earner. This paper has surveyed key national economic development plans from 1964- 2014. This has allowed for a tracing and examination of the shifts in thought about the economic role of tourism in national development policies. Such a historical approach has proved useful since it is within national development policy and planning frameworks that meaning, guidance and the necessary resources are made available for tourism development. A historical approach means that the contemporary state of tourism development in Ghana can be fully understood within the change and continuities brought about by previous national economic development policy interventions. Moreover, it is easier to trace the economic

significance and priority given to any sector within national economic development plans.

In Ghana, the ideas about tourism's role in national development by national policy makers have undergone significant changes. The findings show that the views about the economic significance of tourism have expanded considerably over the years. In the early days of national development planning, tourism's economic role was mainly thought of in terms of foreign exchange earnings. This idea of tourism's foreign exchange earnings was reinforced in national economic development policies in the 1980s-1990s at a time of political and economic instability. As a result of the SAPs of the 1990s, tourism came to be considered as an avenue for diversifying the economy. At this time the development of tourism and diversification of tourism products was seen as an overall economic strategy that can contribute to increased foreign exchange earnings and can improve the country's balance of payment deficit. The early 2000s development plans saw tourism's role reconceptualised not only in terms of foreign exchange earnings but crucially as a source of direct and indirect employment opportunities that contributes to poverty reduction efforts.

In addition to the evolving thoughts about the perceived role of tourism in national economic development, there have also been changes to the ideas about the role of government within tourism development. An analysis of the historical trajectories of tourism development in Ghana has identified four key phases in terms of the role of government in tourism development (Adu-Ampong, 2017c). These phases reflect the changing notions around government's role in the economy generally and in the

tourism sector specifically. The period from the time of independence in 1957 until the overthrow of Nkrumah in 1966 was one marked by active state involvement in tourism development. Given the socialist inclinations of that era, there was an acceptance of the state playing a leading role both in terms of investment in the nascent tourism sector and in establishing the institutional framework for tourism development. This was followed by an era of passive state involvement within the tourism sector, albeit with a twist between 1966 and 1985. This period was characterised by an unstable political environment due to frequent successful and abortive coups. The twist however lies in the fact that this era also witnessed a high number of tourism development and impact studies initiated by each new military government. None of these studies could be implemented before the commissioning government was toppled out of power. Thus the state could not actively invest in the tourism sector nor could it attract private investment into the tourism sector.

With the implementation of the SAPs from the early 1980s (and up until 2006), there was a deregulation of government involvement in the tourism sector. The perceived role of the government during this period was one of a facilitator for private investments. Konadu-Agyemang (2001) has argued that it is this era of state deregulation that helped to transform the tourism sector through the creation of pragmatic policies and an enabling investment environment. Since 2007, there has been a renewed and reactivated state involvement within the tourism sector. The current perception of government's role in the tourism sector is of a more nuanced nature. The role of government in tourism development is moving from just being a facilitator of private sector investments to one where government also play a trailblazing role

through direct investment and policy actions to open up hitherto underdeveloped tourism areas of the country. This evolving perception of governments' role in tourism development is evident through both national economic development plans and specific tourism development plans.

On another level, the basis of tourism development within national development policy has evolved from a focus on nature-based recreational activities and wildlife tourism in the early years through to a culture and heritage from the late 1990s onwards. At the moment, there are efforts at expanding the basis of tourism development to include the creative arts industry. This has been evidenced in the change of the portfolio of the tourism ministry to become the Ministry of Tourism, Culture and Creative Arts in 2013. In line with the shift in national economic development policy from direct poverty reduction strategies to one of growth and employment creation, tourism development has now come to be seen one of the seven key economic sectors on which the long-term transformation of the economy is to be built. This research shows that the tourism sector appears to have grown as more attention has been paid to it within national economic development planning. There is however a point to be made about the initial endogenous growth of the tourism sector and how this caused policy makers to finally prioritise tourism within thoughts on national development policy.

It was noted in the introduction that in many developing countries, the making of tourism policies and plans tends to be far removed from the focus of overall national economic development plans and policies. In the case of Ghana, the evidence suggest that there has been a generally close alignment between tourism plans and overall

national economic development plans. This was especially so in the late 1980s and the 1990s when the focus of national economic development planning was on diversifying the economy and the tourism sector was considered as one such area for diversification. Such alignment created the policy framework that encouraged private sector and civil society sector investment in the tourism sector. There have however been some gaps within this alignment in relation to government commitment to plan implementation and direct investments in the tourism sector. Thus while there has been policy coherence vis-à-vis tourism and national economic development planning, the challenge has been in the area of implementation.

On the basis of the analysis so far, a key question that can be raised is the extent to which tourism development in Ghana has been guided by government policies. Despite the existence of a number of tourism strategies, policies and plans, the level of implementation has not been commiserate with the policy needs of the sector. Cobbinah and Darkwah (2016) have estimated the implementation of tourism policies and plans in Ghana to be less than 50% of stated objectives. Among other things, this is partly due to a lack of government commitment in investments and inadequate stakeholder collaboration (Adu-Ampong, 2017a; Yankholmes, 2018). While national economic development plans place a strong emphasis on tourism's role in economic development, the policy implementation framework tend to be weak leading to implementation challenges. It can be argued that the growth and development of the tourism sector in Ghana has in large part taken place rather amorously – rather than being fully guided by policy. To an extent, current tourism specific policies and plans are an attempt to cover up some of the outstanding policy gaps within the tourism sector.

Some of the key policy gaps are not addressed within national economic development plans but are instead fully discussed with national tourism development plans. For instance, in the current long term Ghana National Tourism Development Plan (GNTDP) 2013-2027, one of the key policy gaps identified is in relation to human resource development and capacity within the tourism sector. In both the public and private sectors, there is a shortage of the requisite human resource capacity needed to effectively develop and implement appropriate tourism policies. This issue is most pertinent when it comes to the hospitality side of the tourism sector where a lack of a national hotel training school for instance has meant a gap in the demand for and the supply of well-trained front and back line staff. There is a need to address this gap in human resource development since the achievement of the short term and long term strategic tourism development objectives rests on the availability of adequate human capital. Addressing this issue will also have an implication on the extent to which the tourism sector is able to contribute to national economic development goals of employment creation and poverty reduction.

In line with the shifts in thoughts on tourism's economic role, there has been an evolution of the governance activities that shape tourism development. Much of these changes have taken place at the national level leading to a neglect of tourism governance at the local levels (Adu-Ampong, 2016). There is a need to consider the local level if communities are to fully benefit from tourism development. One way is to clarify the roles and responsibilities between the many state and non-state actors involved in national economic development and tourism development plan implementation at

various spatial levels. The findings from this study highlights that the emphasis given to tourism within national economic development plans rather than in tourism plans per se, offer a better indication of the ongoing government commitment to tourism development. This issue resonate more broadly and beyond the case of Ghana, given the increasing importance attached to tourism as an avenue for poverty reduction in many developing countries.

To understand the extent of government's commitment to tourism development, research need to take a serious look at the conceptualisation of tourism in national economic development policy and plans. Questions however remain in relation to the extent to which the much touted relationship between tourism, economic growth and poverty reduction is being realised in developing countries. The relationship between tourism and the development process is a dynamic one and hence there is a need to move away from reductionist conclusion of seeing tourism simply as a force for good or for evil. Following Spenceley and Meyer (2012) and Sharpley and Telfer (2015), this paper argues that there is a need to situate tourism's role in economic development and poverty reduction within the overall socioeconomic processes of other sectors which as a whole shape the development outcomes in any given country.

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