

## COUNTRY PROFILE



## Ghana

GLOBAL RANK: 86th of 104



Ghana performs relatively well for a sub-Saharan African country, ranking 86th overall, 79th for Economic Competitiveness, and 85th for Comparative Liveability. Ghana's overall rank is reduced by its dependence on foreign aid, and by its low health-adjusted life expectancy.

## ● BACKGROUND

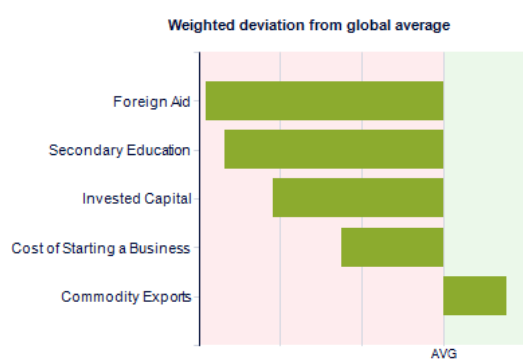
Over 50 years after independence from Britain, Ghana is often considered a regional model of economic and democratic stability. Gold and cocoa exports and revenue from tourism have created sustained economic growth and helped reduce poverty rates. However, 60% of the Ghanaian population is still employed in subsistence agriculture, and a third of the population lives on under \$1 a day. In 2007 major oil reserves were discovered offshore, creating concerns about Ghana's ability to cope with a sudden influx of oil wealth. The military is amongst the best-trained in Africa, and often takes part in regional UN peacekeeping operations.

## FAST FACTS

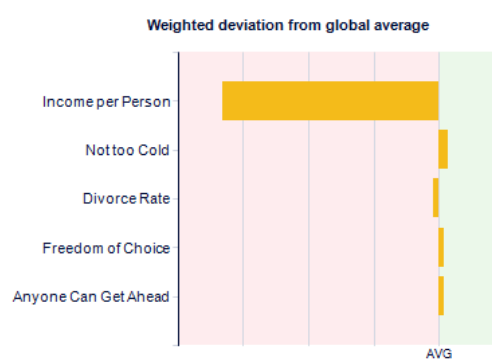
<b>Population:</b>	23.4 million (2008 est.)	<b>FDI (net inflow):</b>	0.99% (2005 est.)
<b>Life Today</b>	4.9 (2007 est.)	<b>Exports</b>	28.73% (2006 est.)
<b>GDP (PPP)</b>	\$31.33 billion (2007 est.)	<b>Imports</b>	42.65% (2006 est.)
<b>GDP (Growth)</b>	6.4% (2007 est.)	<b>Unemployment:</b>	11% (2000 est.)
<b>GDP (per Capita)</b>	\$1,400 (2007 est.)	<b>Life Expectancy</b>	59.49 years (2008 est.)
<b>Political System:</b>	Constitutional Democracy		
<b>Foreign Aid:</b>	8.07% (2006 est.)		

## ● KEY SCORE DRIVERS

## ECONOMIC COMPETITIVENESS



## COMPARATIVE LIVEABILITY



Notoriously volatile in the early post-independence era, Ghana managed a successful transition to democracy in 1992, consolidated by a peaceful opposition victory in the 2000 presidential elections. Compared to most of its African peers, Ghana thus scores relatively well across most governance indicators.

This political stability also translates into remarkable economic growth. As Ghana's traditionally turbulent relationship with international financial institutions has steadied, structural adjustment measures have finally started to pay off. Annual growth rates are above 5%. In addition, Ghana has experienced a degree of diversification, as shown by the lack of dependence on commodity

Ghana's stable and democratic political system protects relatively high standards of equality of opportunity. In addition, Ghanians report a high level of satisfaction with their freedom to choose how their lives turn out. Ghana outperforms most other African countries in this category. These extensive civil liberties are consistent with a widespread ethos of individualism.

According to the Gallup Poll, more than 95%<sup>9</sup> of Ghanians believe that they can get ahead through hard work -- one of the highest values in all countries sampled. Another positive factor is the warm climate, significant at these low levels of income.

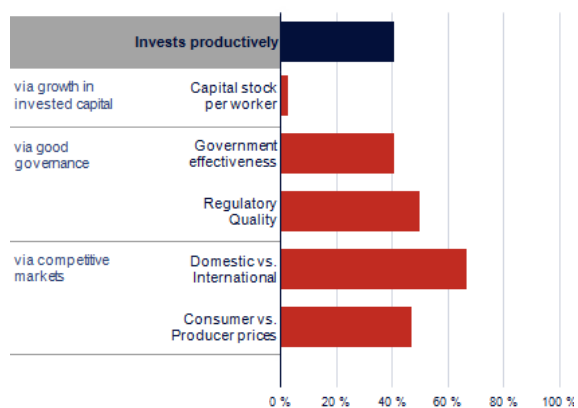
exports (although foreign aid flows remain large compared to the size of the economy).

Ghana's prospects for long-term growth are more worrying. A lack of capital investment will make wider economic diversification or enhanced productivity difficult. Furthermore, mass education levels are poor. This, added to the high cost of starting a business, constrains the entrepreneurship, an especially acute problem for a country at Ghana's level of development.

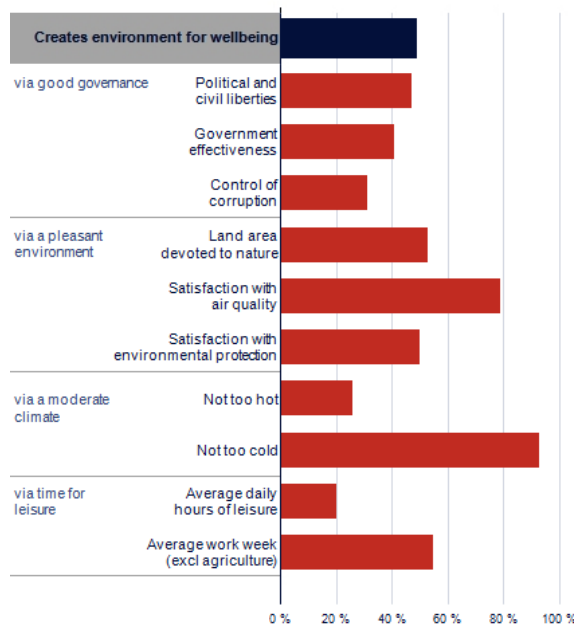
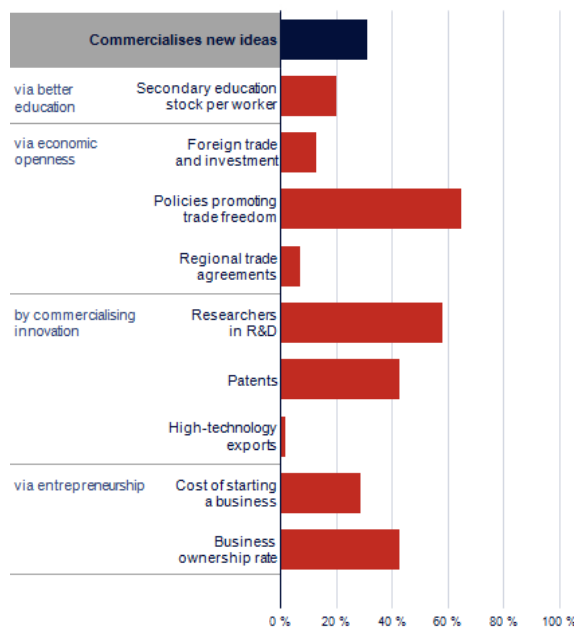
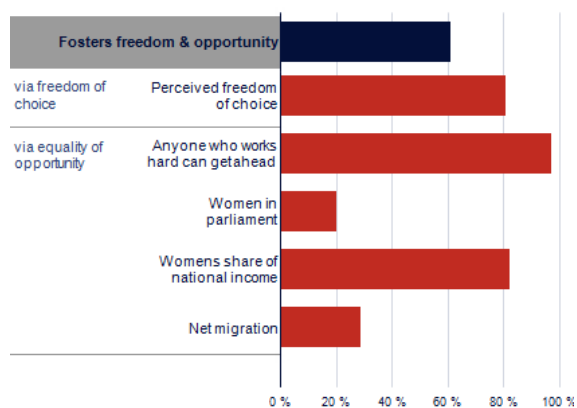
This enthusiasm, however, stands in contrast to the realities of the Ghanaian job market. As subsistence farming remains the predominant form of employment, economic opportunities for young Ghanaians are severely restricted and unemployment stands at 11%. Average annual income is less than \$2,500, which is higher than in neighbouring countries but well below the global mean. High levels of divorce mean that family life in Ghana scores very badly on the Index.

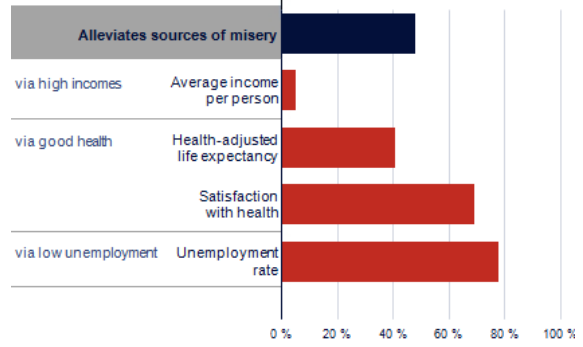
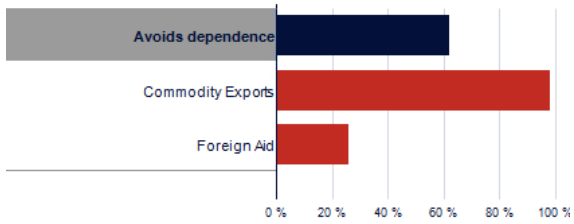
Like many other African states, Ghana therefore suffers from an exodus of its qualified workforce. Ghanaian doctors and nurses in particular often leave the country to work abroad, which causes acute shortages in the public health system and produces negative scores on the health indicators. Health-adjusted life expectancy is less than 50 years.

### ECONOMIC COMPETITIVENESS: SCORECARD

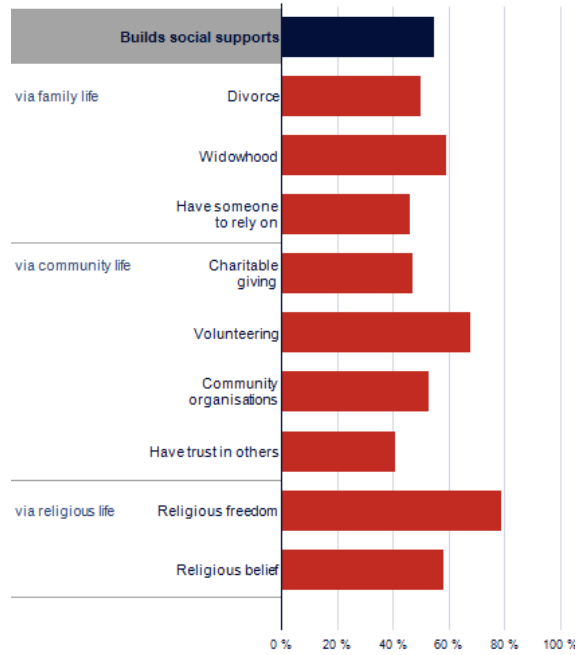


### COMPARATIVE LIVEABILITY: SCORECARD





All subindicator scores in the Index are shown unweighted, expressed as a percentage of the score for the best-performing country in the Index. Indicator scores (in dark blue) are derived from the weighted average of relevant subindicators. For more information on how the subindicator scores are weighted to produce indicator scores and an overall Index score and ranking, see Chapter Two of this report.



**References:**

<sup>9, w</sup> See [www.prosperity.com/references.aspx](http://www.prosperity.com/references.aspx) for further details including date of survey, sample size, and margin of error.