



THE GHANAIAN GENERAL ELECTION

Ghana Bets on Change

It was the phone call he thought he would never have to make. The fifty hours between the close of polling and making that call was testament to the time it took to come to terms with defeat.

At 7.41pm on Friday 9 December 2016, Ghana's President John Mahama of the National Democratic Congress (NDC) finally called Nana Akufo-Addo of the New Patriotic Party (NPP) to concede and congratulate him on his victory in the race for the country's Presidency.

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Many hours before, local radio stations had called the parliamentary and presidential elections decisively for NPP. It seemed as if it was only the occupant of Flagstaff House, the seat of the presidency in Ghana, who had not heard the clarion call of the electorate, perhaps in disbelief that he had been denied a second term in Africa's first nation to gain independence.

Meanwhile, the Electoral Commission dithered, its computer system reported to have been hacked, forcing some of the verification process to be handled manually and prompting fears of interference with the poll.

Yet any such attempt would have been difficult, this being the second time in the last 20 years that technology had ensured there was little doubt about the election outcome. In 2000, it was the use of mobile telephony across the country that confirmed the NPP's win under John Kufuor who ruled the country for eight years.

Having lost by less than 300,000 votes to Mahama and NDC in 2012, this time NPP deployed an advanced data system linking the 275 parliamentary constituencies that reported results as they came in from some 29,000 polling stations across the country. The system, built by IT specialist Joe Anokye who had been working with NASA in the US, together with well drilled monitors and agents swung into action seconds after polls closed.

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Within a short while it became clear that Nana Akufo-Addo, at his third attempt aged 72, had an unassailable lead. It was more than an hour after the concession call had been made that the Electoral Commission finally confirmed the suave ebullient lawyer, businessman and former Foreign Affairs Minister had beaten the incumbent by 53.8 per cent to 44.4 per cent and NPP had won a solid majority in Parliament.

Ghana is set to build on its reputation for a peaceful transfer of power, notwithstanding the sporadic bursts of violence that followed confirmation of the results.

In many ways, that emphatic win should not have been a surprise given the sharp reversal in the country's commodities based economy over the last three years as international oil, cocoa and gold prices tumbled. Ghana joined the ranks of Africa's oil producers in 2010, the other two products having been the mainstay of the economy since independence in 1957.

The slide in revenue from exports came against a backdrop of the Mahama government having bet on grandiose infrastructure projects of hospitals, schools and roads, all designed to illustrate government activity and transformation of the nation. But analysts talked of over-pricing in many of the projects and even corruption in some cases.

Ghana had been declared a "middle income" country, but that tag sat uneasily around an economy in reverse and a debt mountain spiralling out of control. The Cedi, the country's currency, was on the slide against the US dollar and in February 2014, the central bank introduced currency controls in a bid to halt the decline. But that introduction of exchange controls not only triggered capital flight but brought back the memories of the dark days of the 1970s and 1980s when many African economies were in free fall. Many predicted the move would fail and the controls were relaxed four months later.

Against this back drop, the country suffered power shortages that not only affected business but hit all levels of society. Such were the power cuts that Mahama was nicknamed "Mr Dumsor", the popular word for the power outages, a name the President acknowledged.

An increase in money supply triggered inflation which stubbornly remains at 16 per cent. Akufo-Addo and the NPP's continued charges of economic mismanagement were increasingly hitting home.

Something had to give as West Africa's second largest economy hit the buffers. When alternative financing options failed, Ghana turned to the IMF in April 2015 accepting a near \$1bn extended credit facility. Some \$465m has so far been disbursed to date and in September 2016 the country also raised \$750m through a bond auction that was more than four times oversubscribed.

Yet the new President faces a daunting task. While his party has a reputation for prudence, and being the party of business, in October the IMF said Ghana's economic growth for 2016 will slow to its lowest for more than 25 years. Growth is expected to be 3.3 percent, the slowest since 1990 against 3.9 per cent in 2015.

As part of its election platform, Akufo-Addo has pledged to build a dam in every village and a factory in every district and give each constituency around \$1 million per year to pursue development projects. Job creation is at the heart of this attempt to boost the economy.

Delivery of such an ambitious programme will be a great challenge, particularly as the IMF has pointed to uncertainty over the resumption of oil and gas output at a key field.

However, the IMF is positive about 2017 and has growth expectations of 7.4 per cent and 8.4 per cent for 2018.

When Nana Addo Dankwa Akufo-Addo is sworn in as President of Ghana on 7th January 2017, he will be breaking a line of four previous predecessors with John as a first name. The dash around the country by the last John in office as he commissioned new buildings and projects had been to no avail, forcing him to make the dreaded concession phone call.

Ghana will be waiting to see if a change in the name of the President will lead to a change in its fortunes.



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