



SMALL TOWNS AND DECENTRALIZED DEVELOPMENT IN GHANA: A STRATEGY FOR DISPERSED URBANIZATION?

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Presentation Outline

- Introduction
- Ghana's Urban System and Small Towns
- Decentralization, Small Towns and Poverty Reduction
- Decentralization and Dispersed Urbanization in Ghana
- Conclusion and Policy Implications



Introduction

- Rapid urbanization and urban growth, especially the emergence of large cities, are creating serious challenges in Ghana:
 - increasing urban poverty and development of slums
 - rapid conversion of agriculture lands into residential use
 - poor sanitation and waste management
 - Housing shortage and high accommodation/rent costs
 - traffic congestion, etc



Ghana: Total Population and Percentage Urbanized, 1921-2010

Year	Total Population*	Percentage Urbanized
1921	2,298,000	7.8
1931	3,163,000	9.4
1948	4,118,000	12.9
1960	6,727,000	23.1
1970	8,559,000	28.9
1984	12,296,000	32.0
2000	18,912,000	43.8
**2007	23,000,000	49.0
**2010	23,458,000	51.0

* Population figures rounded to the nearest thousand

**Based projections (UNFPA 2007; GSS 2005).

Source: Derived from Ghana Statistical Service report (2005a, 2005b)

Population Size of the Fifteen Largest Urban Centers, 1970-2000

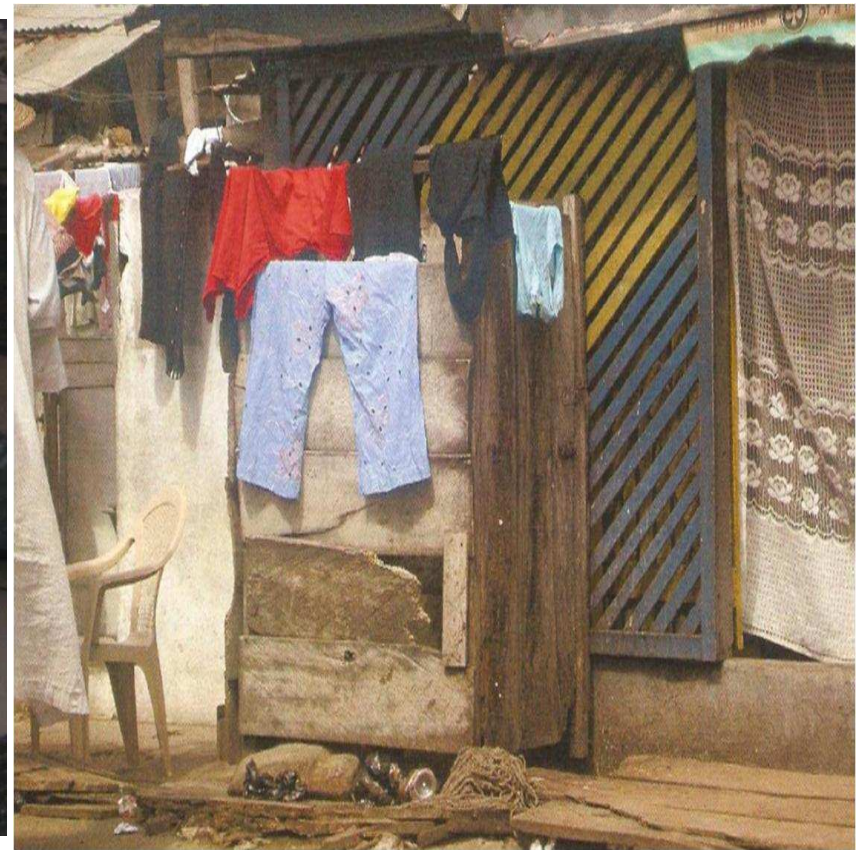
Town/City	Population			Contribution to Urban Growth	
	1970	1984	2000	1970-1984	1984-2000
Bawku	20,567	34,074	51,379	0.92	0.40
Agona Swedru	21,522	31,226	45,614	0.66	0.33
Ashiaman	22,549	50,918	150,312	1.94	2.29
Nkawkaw	23,219	31,785	43,703	0.59	0.27
Sunyani	23,780	38,834	61,992	1.03	0.53
Ho	24,199	37,777	61,658	0.93	0.55
Obuasi	31,005	60,617	115,564	2.03	1.26
Koforidua	46,235	58,731	87,315	0.86	0.66
Cape Coast	56,601	65,763	82,291	0.63	0.38
Tema Municipality	60,767	100,052	141,479	2.69	0.95
Sekondi Sub-metropolis	63,673	70,214	114,157	0.45	1.01
Takoradi Sub-metropolis	80,309	117,989	175,436	2.58	1.32
Tamale Metropolis	83,623	135,952	202,317	3.58	1.53
Kumasi Metropolis	346,336	496,628	1,170,270	10.29	15.49
Accra Metropolis	624,091	969,195	1,658,937	23.62	15.86
Total	1,528,506	2,299,755	4,162,424	52.79	42.83

Source: Ghana Statistical Service (2005a, p. 130).

Challenges of rapid pace of urbanization and urban growth in large Ghanaian cities:
Rapid lost of agricultural land and livelihoods



Poor housing, sanitation and waste management





Introduction

- A key response to rapid urban growth of large cities is the development of small and medium-sized towns.
- Some regional development analysts are of the view that small and medium-sized towns could contribute to a balanced and dispersed urbanization through decentralization.
- Underlying notion is that decentralization facilitates development of centres (including small towns) within the lower echelons of the urban hierarchy:
 - leading to uniform distribution of the urban population, and avoiding concentrations in a few large cities with their attendant development challenges.



Introduction

- Like many countries in Sub-Saharan Africa, Ghana since 1988 has embarked on a decentralization programme:
- some have described Ghana's decentralization as one of the boldest examples of decentralisation to be found in developing countries (Allen 1990; Naustdalslid 1992, p. 1).
- basic goal of the programme is to promote rural development – bridge the development gap between rural and urban areas.
- a key objective is to reduce migration to the large cities by enhancing the infrastructure and service delivery functions of small and medium-sized towns as counter-magnets to these large cities.



Ghana's Urban System and Small Towns

- In Ghana, urban centres are officially defined as settlements with populations of 5000 or more.
- no official definition exists for small towns, and other categories such as medium and large towns.
- Based on the 1960, 1970 and 1984 population censuses, GSS (1995) defined small towns as centres with populations between 5000 and 19,999; medium-sized (20,000-99,999) and: large towns (100,000+)
- Thomi and Yankson (1985) made a similar classification based on the 1970 Population Census.



Ghana's Urban System and Small Towns

- Based on the 2000 Population Census and earlier studies, we can delimit a three-tier urban system:
 - large towns/cities (250,000+): Accra, Kumasi, Tema, Sekondi-Takoradi, and Tamale
 - medium-sized towns (50,000 - 249,999): regional administrative headquarters
 - small towns (5000-49,000): district capitals
- 3-tier classification is in line with local government area classification of metropolitan, municipal and district assemblies.
- Though this classification is not without limitations, it allows us to define small towns, particularly district capitals, which are the urban centres of interest here, both within the urban spatial and politico-administrative hierarchies.

Distribution of Urban Sizes in Ghana (1970-2000)

Category ('000)	1970		1984		2000	
	No.	Population	No.	Population	No.	Population
1000+	0	0	0	0	2	2,829,207
500-1000	1	624,091	1	969,195	0	0
100-499	2	490,318	3	793,783	4	1,147,963
50-99	2	140,254	4	276,981	8	544,163
20-49	13	369,848	19	529,266	38	1,127,988
5-19	101	844,227	155	1,338,651	298	2,680,923
Total Urban	119	2,468,738	182	3,907,876	350	8,330,244
<i>Urbanised (%)</i>	-	28.9	-	32.0	-	43.8

Source: GSS (2002) and Owusu (2005, 2008).

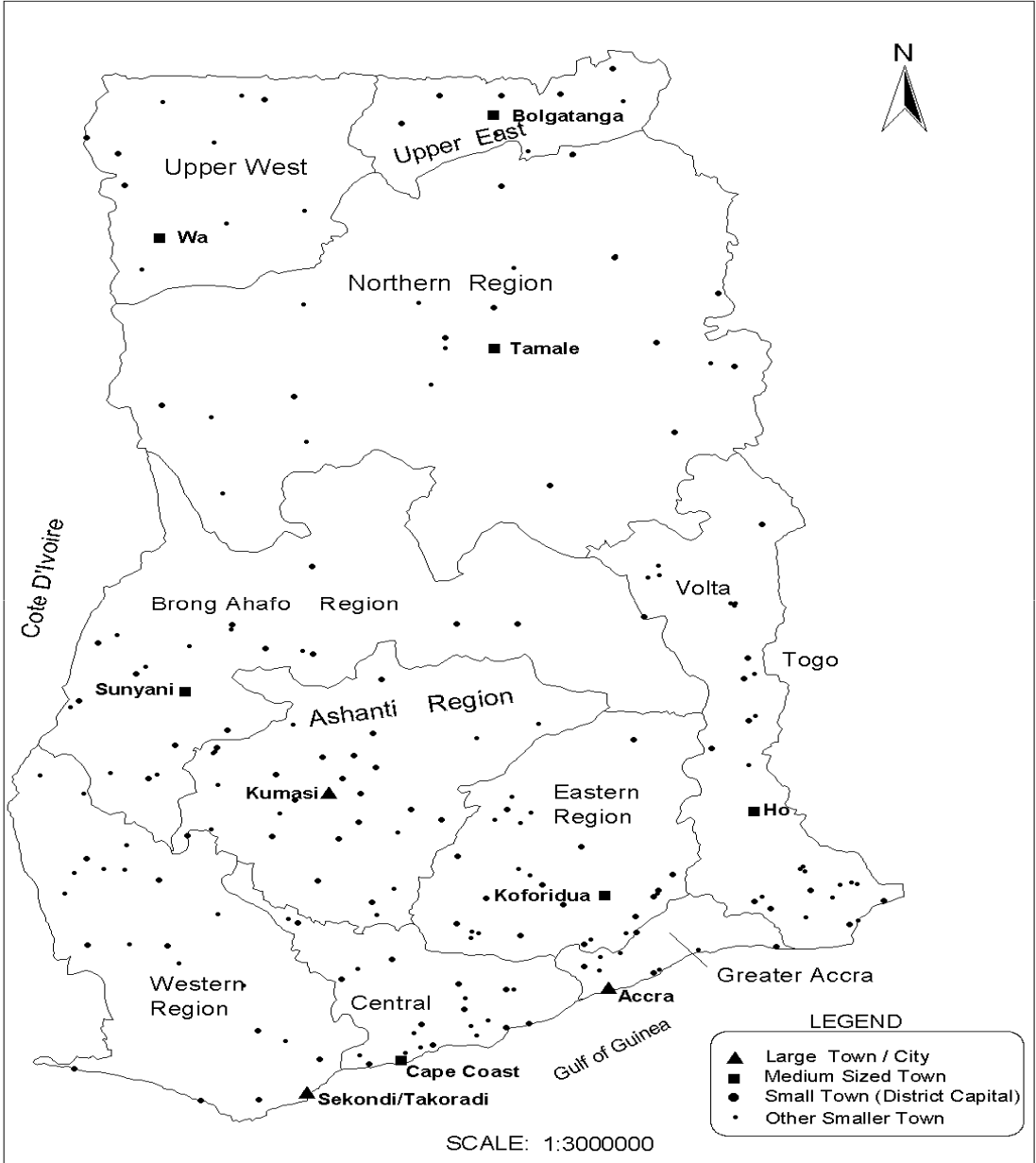
Regional Distribution of Urban Centres, Small Towns and District Capitals, 2000*

Region	Urban Centres			Urban Population		
	Total No.	% as Small Towns	% as District Capitals	Total	% in Small Towns	% in District capitals
Western	33	97	33	691,404	47	20
Central	39	97	28	598,405	86	37
Greater Accra	35	91	9	2,564,864	14	1
Volta	35	97	31	441,084	86	31
Eastern	56	98	25	728,718	88	33
Ashanti	58	97	29	1,875,882	32	18
Brong-Ahafo	54	96	22	687,706	83	38
Northern	27	96	44	496,803	59	36
Upper East	7	86	71	144,282	64	59
Upper West	6	83	67	101,096	34	25
Total (National)	350	96	28	8,330,244	46	20

* Number of District capitals is based on the 99 which existed as of 2000

Source: Owusu (2008)

Map of Ghana Showing Regional Distribution of Urban Centres



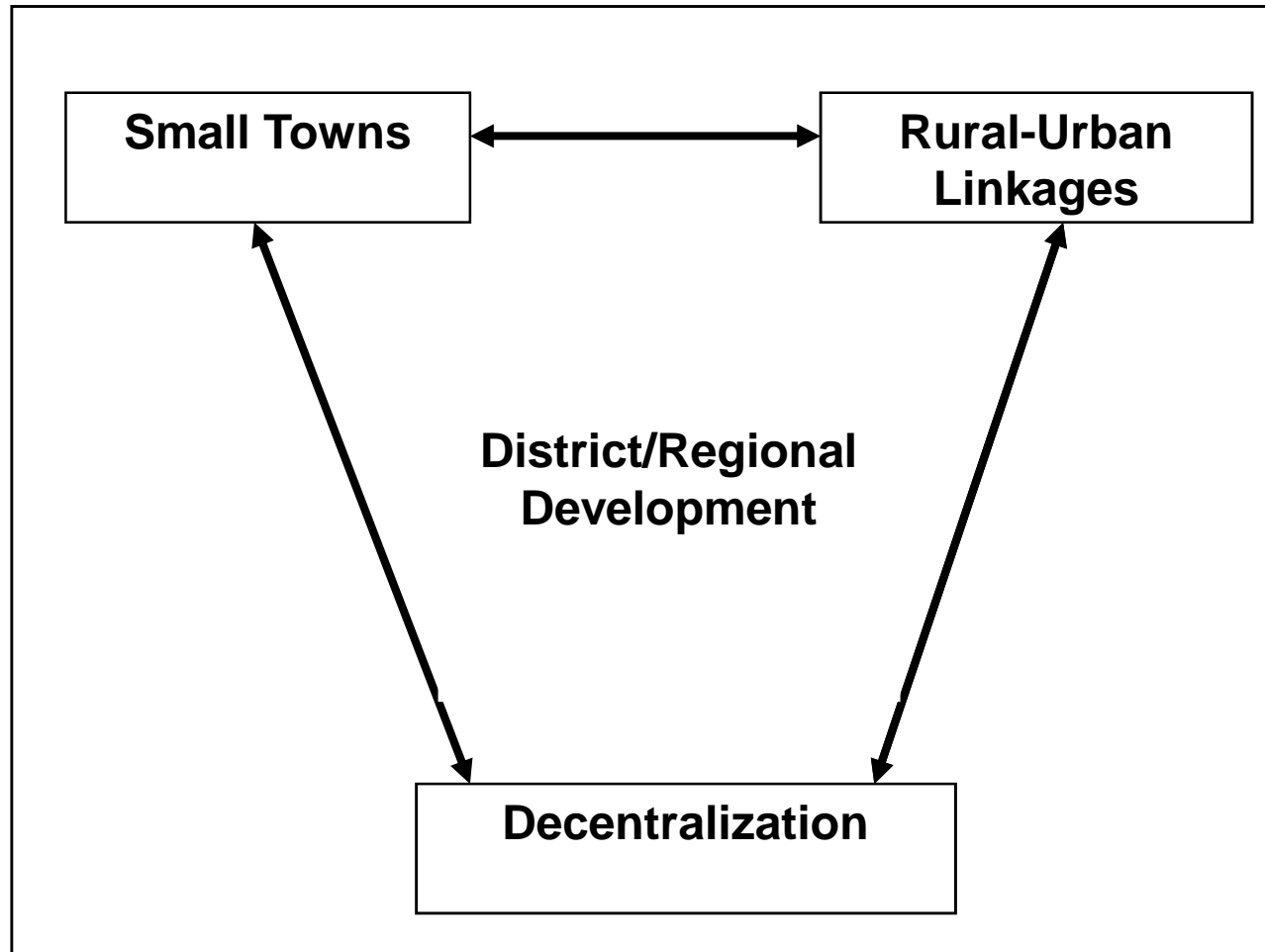
Source: Owusu (2005)



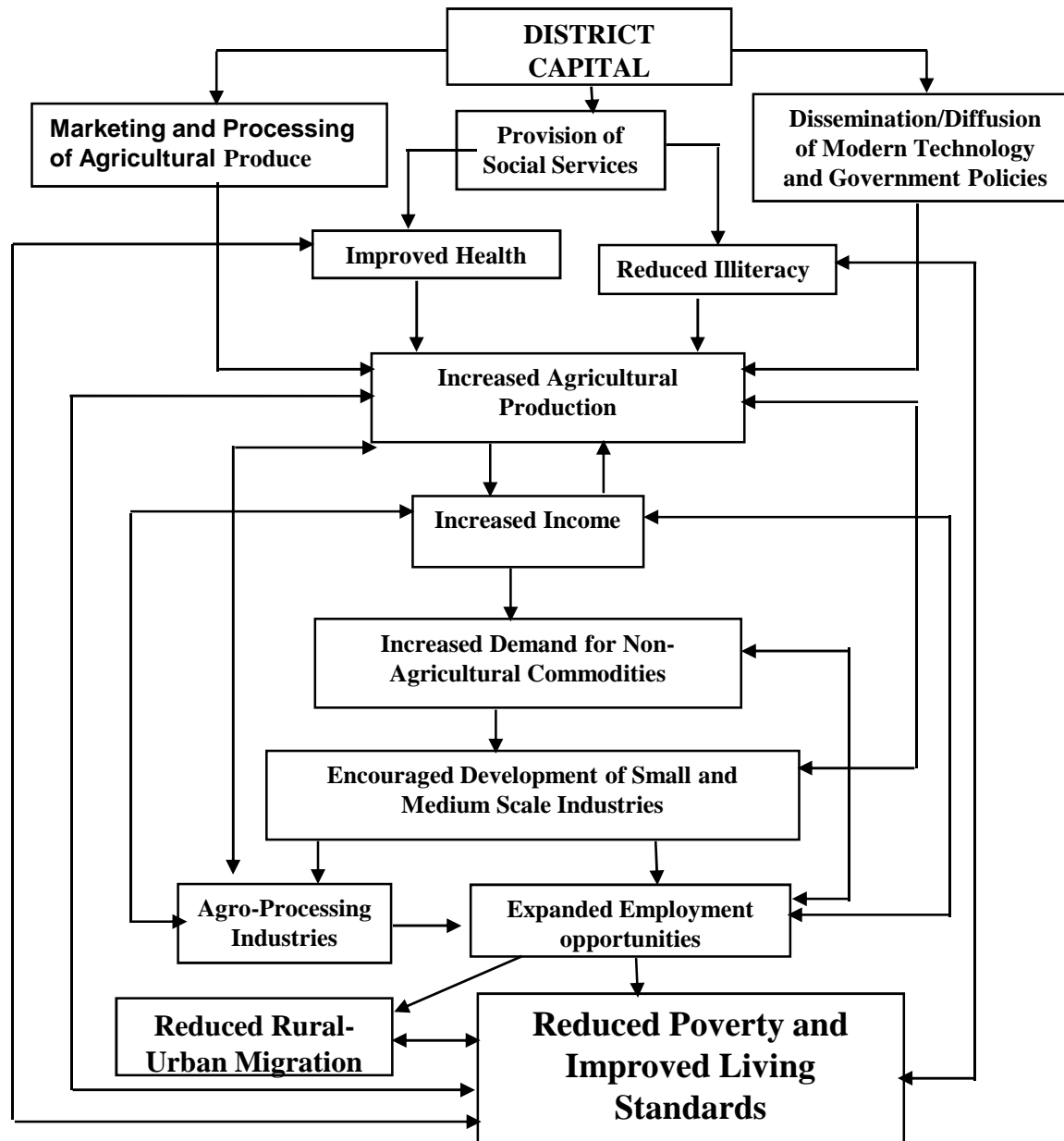
Decentralization, Small Town Development and Poverty Reduction

- Decentralization advocates argue that it facilitates both urban and rural development.
- Transfer of authority and resources under decentralization enhance the growth of small towns.
- Programmes on small town development are not only aimed at the development of these centres but also the strengthening of rural-urban linkages.
- Strengthening small towns and rural-urban linkages enhances both rural and urban livelihoods leading to poverty reduction.

Linking Small Towns, Rural-Urban Linkages and Decentralisation



A Conceptualised Model of the Role of District Capitals (Small Towns) in Regional Development under Ghana's Decentralisation Programme



Source: Owusu (2005, p. 65; 2008).



Can Ghana's Decentralization facilitates Dispersed Urbanization through Small Towns' Development?

- Overwhelming dominance of urban centres defined as small towns (5000 and 50,000).
 - 96% of all urban centres could be classified as small towns as of the year 2000
- Total number of small towns has increased significantly from 114 in 1970, 174 in 1984 and 336 in 2000.
- Proportion of the total urban population residing in small towns has changed very little or even declined slightly: about 49% in 1970; 48% in 1984 and; about 46% in 2000

Regional Distribution of Urban Centres: Proportion of Small Towns, 1970-2000*

Region	1970		1984		2000	
	No.	Urban Pop.	No.	Urban Pop.	No.	Urban Pop.
Western <i>% of small towns</i>	13 <i>92.3</i>	295,129 (28) <i>52.2</i>	10 <i>90</i>	289,247 (23) <i>34.9</i>	33 <i>97</i>	691,404 (36) <i>46.6</i>
Central <i>% of small towns</i>	21 <i>95.2</i>	248,149 (29) <i>77.6</i>	25 <i>96</i>	339,949 (29) <i>80.7</i>	39 <i>97.4</i>	598,405 (38) <i>86.2</i>
Greater Accra <i>% of small towns</i>	4 <i>75</i>	673,663 (85) <i>7.4</i>	6 <i>66.7</i>	1,108,695 (83) <i>4.3</i>	35 <i>91.4</i>	2,564,864 (88) <i>14.4</i>
Volta <i>% of small towns</i>	12 <i>100</i>	124,451 (16) <i>100</i>	21 <i>100</i>	224,809 (21) <i>100</i>	35 <i>97.1</i>	441,084 (27) <i>86</i>
Eastern <i>% of small towns</i>	25 <i>100</i>	282,455 (25) <i>100</i>	40 <i>97.5</i>	437,923 (28) <i>86.6</i>	56 <i>98.2</i>	728,718 (35) <i>88</i>
Ashanti <i>% of small towns</i>	14 <i>92.9</i>	476,621 (30) <i>27.3</i>	26 <i>92.3</i>	752,740 (33) <i>29.6</i>	58 <i>96.6</i>	1,875,882 (51) <i>31.5</i>
Brong-Ahafo <i>% of small towns</i>	18 <i>100</i>	162,442 (22) <i>100</i>	30 <i>100</i>	318,302 (27) <i>100</i>	54 <i>96.2</i>	687,706 (37) <i>82.8</i>
Northern <i>% of small towns</i>	8 <i>87.5</i>	141,594 (21) <i>40.9</i>	16 <i>93.8</i>	288,736 (25) <i>52.9</i>	27 <i>96.3</i>	496,803 (27) <i>59.3</i>
Upper East <i>% of small towns</i>	3 <i>100</i>	50,494 (6) <i>100</i>	5 <i>100</i>	99,928 (13) <i>100</i>	7 <i>85.7</i>	144,282 (16) <i>64.4</i>
Upper West <i>% of small towns</i>	1 <i>100</i>	13,740 (7) <i>100</i>	3 <i>100</i>	47,547 (11) <i>100</i>	6 <i>83.3</i>	101,096 (18) <i>34.1</i>
Total <i>% of small towns</i>	119 <i>95.8</i>	2,468,738 (29) <i>49.2</i>	182 <i>95.6</i>	3,907,876 (32) <i>47.8</i>	350 <i>96</i>	8,330,244 (44) <i>45.7</i>

*Figures in bracket show percentage of urbanised population (to the nearest whole number).



Can Ghana's Decentralization facilitates Dispersed Urbanization ...

- Existing conditions and patterns point to centralization and concentration of the urban spatial hierarchy:
 1. Unfavourable decentralized policies:
 - Decentralization programme is beset with a number of challenges which have made local governments un responsive to needs of their areas of jurisdiction (see Ayee 1995, 1997, 2000, 2003; Mohan 1996; Crook and Manor 1998; Owusu 2005, 2008a, 2008b).
 - A challenge is limited financial resources of District Assemblies, which do not match their functional delegated responsibilities, a situation sometimes referred to as 'vertical imbalance' (Ayee 1995).



Can Ghana's Decentralization facilitates ... Dispersed Urbanization?

- Limited support for District socio-economic initiatives and mobilization
- Metropolitan areas attract more resources from the state, e.g. District Assembly Common Fund (DACF):
 - Sharing formula of the DACF (equality, need, responsiveness and service pressure) – weights given to these criteria in the sharing formula favour local governments in large cities and towns.
 - a detailed study by Razin and Obirih-Yeboah (2000) as well as many other studies have concluded that local governments in the large cities and towns are the most financially sound compared to those in rural regions.
 - in 2006, there were 138 local governments in Ghana, however, local governments in the first five largest cities/towns (Accra, Kumasi, Tamale, Tema and Sekondi-Takoradi) accounted for about 20% of total grants from the state.



Can Ghana's Decentralization facilitates ... Dispersed Urbanization?

2. National level policies favour spatial concentration:

- Investment patterns:
 - government and private sector investments in manufacturing production and the supporting infrastructure are concentrated in the three main urban centres of Accra-Tema, Kumasi and Sekondi-Takoradi.
 - in 2003, three core urban centres accounted for about 60% of the total number of manufacturing establishments; about 70% of persons engaged; 92% of value of output and 90 percent of census value added (GSS 2006).
 - Greater Accra area received about 84% of total investment (including agriculture) that came into the country between 2001 and 2008 (ISSER 2009).
- Absence of comprehensive national urban and regional development policy which guides how Ghanaian urban centres should develop has exacerbated existing urban spatial pattern.



Can Ghana's Decentralization facilitates ... Dispersed Urbanization?

3. Irresistible process of global forces (market liberalization and globalization) is leading to new concentration of activities in metropolitan Accra and Kumasi (Grant and Nijman 2002; Grant and Yankson 2003; Otiso and Owusu 2008; Owusu 2008).

- economic and political liberalization pursued since the mid-1980s have created spaces for the influx of foreign capital and non-governmental organisations leading to concentration of economic activities, capital and people in large Ghanaian cities.
- Accra and Kumasi host a number of international MNCs, development agencies and NGOs.
- a visible impacts of economic liberalization is the dramatic rise in the number of new firms particularly foreign companies that have established operations in Accra: headquarters for 655 foreign companies in 2003 (Grant and Yankson 2003).



Can Ghana's Decentralization facilitates ... Dispersed Urbanization?

4. Inherent Weaknesses of many Ghanaian small towns' production and service functions

- economic activities in Ghanaian small towns have been, and continue to be dominated by commerce and services - activities not adequately adapted to the needs of their rural agricultural hinterland population.
- poor transport links between small towns and their hinterland, road networks are limited and impassable for substantial part of the year.
- poor market infrastructure and the fragmented, unregulated and inefficient nature of the trade relations result in small towns' 'bypassed' by more efficient traders operating from high-order centres.
- Studies indicate that economic reasons (especially jobs) remain the single most important factor for rural-urban migration. However, small and medium-sized towns are not perceived as zones for employment (Burrow 1992; Owusu 2005).



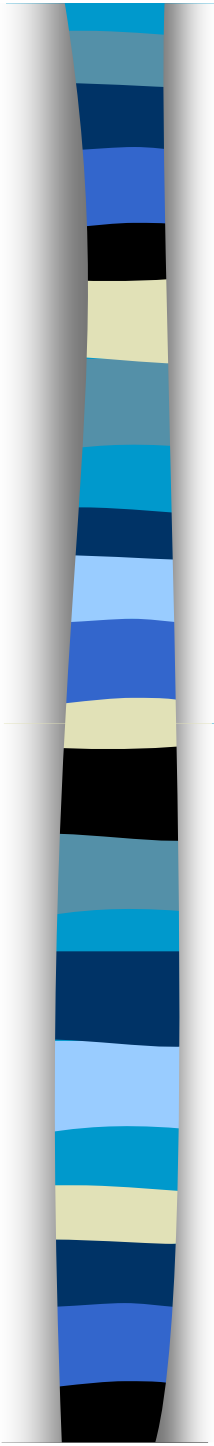
Conclusion and Policy Implications

- Ghana is undergoing rapid urbanization and skewed distribution of the urban population involving high concentration in large cities mainly Accra and Kumasi.
- Population movements and concentration are largely due to an unequal distribution of economic growth as well as resource exploitation in Ghana.
- Strengthening small urban centres such as the district capitals through decentralization as counter-magnets to the large cities is a positive policy response towards poverty reduction and the development of dispersed urbanization in the long term.



Conclusion and Policy Implications

- Any planned effort towards promoting small towns requires active involvement of the state, particularly:
 - commitment to a genuine decentralization programme which supports adequate provision of infrastructure; district socio-economic initiatives and mobilization and; accountable local governments
 - formulation of implementable supportive policies, especially a comprehensive national urban development policy framework which guides the development of urban centres (including small towns) in Ghana.



End, and Thank you.